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United States
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Circuit Court of Appeals

For the Ninth Circuit.

In the Matter of the CRAIG LUMBER COMPANY,
a Corporation, Bankrupt.

E. L. COBB, as Trustee of the CRAIG LUMBER
COMPANY, a Corporation, Bankrupt, and
BANK OF ALASKA, a Corporation,
Appellants,

vs.

HILLS-CORBET COMPANY, a Co-partnership
Composed of F. R. HILLS and W. W. COR-
BET,

Appellee.

Transcript of Record.

Upon Appeal from the United States District Court for the
District of Alaska, Division No. 1.

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OCT 20 1920

F. D. MONCKTON,
CLERK

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Names and Addresses of Attorneys of Record.

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JOHN B. MARSHALL, Esquire, Juneau, Alaska,
for Bank of Alaska,

Attorneys for Plaintiffs in Error.

GATES & HELSELL, 1209 L. C. Smith Building,
Seattle, Wash.,

NEWARK L. BURTON, Esquire, Juneau, Alaska,
Attorneys for Defendant in Error.



In the District Court for the Territory of Alaska,
Division No. 1, at Juneau, Alaska.

No. 31—IN BANKRUPTCY.

In the Matter of The CRAIG LUMBER COM-
PANY, a Corporation,

Bankrupt.

Petition of Hills-Corbet Company to Reclaim.

Comes now Hills-Corbet Company and files here-
with its petition to reclaim, and respectfully repre-
sents:

I.

That the Hills-Corbet Company is now, and at
all times herein mentioned has been, a copartner-
ship consisting of F. R. Hills and W. W. Corbet.

II.

That on October 31st, 1917, said Hills-Corbet
Company entered into a conditional sale contract
with the Craig Lumber Company, a corporation
bankrupt, whereby the petitioner agreed to fur-
nish all machinery, belts, saws, pipe and pipe fit-

tings, blow-pipe and fittings and iron necessary to equip the Craig Lumber Company's sawmill at Craig, Alaska, in accordance with specifications attached to said contract, and further agreed to build the buildings above pile foundations, install machinery, put on belting, install piping, etc.

III.

That a copy of said contract is herewith attached, marked Exhibit "A" and made a part hereof.

IV.

That it is provided in said contract that the title to the apparatus and material referred to therein should not pass from Hills-Corbet Company until all payments thereunder should have been fully made, and that said contract further provided that upon default in any such payments, said Hills-Corbet Company should have the right to retake the property described in said contract and to retain the amounts theretofore paid as liquidated damages by reason of the breach of said contract. [1*]

V.

That said contract further provided that the purchaser, Craig Lumber Company, was to pay the actual cost of all labor, machinery, equipment and building materials used in connection with the work, the cost of insurance and all costs except freight and transportation charges of material and men from Seattle, Washington, to Craig, Alaska, plus 10%, and that the cost of machinery, material and equipment to the said Craig Lumber Company

*Page-number appearing at foot of page of original certified Transcript of Record.

should be the cost f. o. b. ship's tackle, Seattle, Washington, plus 15% to the Hills-Corbet Company to cover operation expenses.

VI.

That in accordance with the terms of said contract, petitioner proceeded to ship the necessary machinery, equipment, etc., and to construct said mill at Craig, Alaska, and has completed said contract in accordance with its terms. That the said defendant Craig Lumber Co. has failed to pay the petitioner the sum of \$12,980.36 due it in accordance with the terms of said contract and that by reason of failure to make said payments petitioner is entitled to the return of the property therein described.

VII.

That said contract was duly recorded in the Recording Office at Ketchikan, Alaska, being Recording District No. 8, on April 9, 1918, and was also filed in the office of the County Auditor of King County, Washington, within ten days from the completion of delivery of the last of the material, as required by the laws of the State of Washington.

VIII.

That all of the property covered by said contracts is now in the possession of the trustee in bankruptcy of the said Craig Lumber Company, a corporation.

WHEREFORE, your petitioners pray that the trustee in bankruptcy of the Craig Lumber Company, a corporation, bankrupt, be directed to de-

liver to your petitioners the said property described in the contract attached to this petition forthwith, and that your petitioners have such other and further relief as the Court may see just and proper.

HILLS-CORBET COMPANY,

By W. W. CORBET,

Petitioner.

GATES & HELSELL,

NEWARK L. BURTON,

Attorneys for Petitioner. [2]

State of Washington,

County of King,—ss.

W. W. Corbet, being first duly sworn, on oath deposes and says: That he is one of the petitioners in the above-entitled matter and is duly authorized to make this verification; that he has read the foregoing petition, knows the contents thereof, and that the same is true, as he verily believes.

(Signed) W. W. CORBET.

Subscribed and sworn to before me this 10th day of July, 1919.

[Notarial Seal]

(Signed) CASSIUS E. GATES,

Notary Public in and for the State of Washington,

Residing at Seattle.

Service of foregoing is admitted this 19th day of July, A. D. 1919.

J. H. COBB,

Attorney for Trustee.

Filed July 19, 1919. Referee in Bankruptcy,
First Division of Alaska. Box 613, Juneau, Alaska.

[Endorsed]: No. ——. In the United States District Court, Territory of Alaska, No. 1 Division. In the Matter of The Craig Lumber Co., a Corporation, Bankrupt. No. 31—In Bankruptcy. Petition of Hills Corbet Co. to Reclaim. Cassius E. Gates, Attorney for ———, 1209 L. C. Smith Building, Seattle, Wash., Main 6357, at which office they consent that service of all subsequent papers, except writ and processes, may be made upon them. [3]

Plaintiffs' Exhibit "A."

**SPECIFICATIONS OF SAW-MILL
MACHINERY**

FOR

THE CRAIG LUMBER CO.

CRAIG, ALASKA.

BY

HILLS-CORBET COMPANY

SEATTLE, WASH.

Pltfs. Exhibit No. "A." Received in evidence. Mar. 17, 1920. In Cause No. 31-Bkcy. J. W. Bell, Clerk. By ———, Deputy. [4]

THIS AGREEMENT, by and between, HILLS-CORBET COMPANY, of Seattle, Wash., hereinafter called the Company, and the CRAIG LUMBER COMPANY, of Craig, Alaska, hereinafter called the Purchaser.

The Company agrees to furnish all Machinery, Belt, Saws, Pipe and Pipe Fittings, Blow Pipe and Fittings and Iron necessary to equip a saw mill

at Craig, Alaska, in accordance with the attached specifications and drawings, which specifications and drawings become a part of this agreement.

The above equipment to be billed F. O. B. ship's tackle, Seattle, Wash.

The Company also agrees to build buildings above pile foundations, install machinery, put on belting, install piping and turn the mill over to the Purchaser ready to run according to the attached drawings and specifications. The Purchaser is to drive all piles.

The Purchaser agrees to properly care for all apparatus and material delivered until the same is fully paid for, and to hold the Company harmless against the payment of any taxes assessed against the apparatus and material after it shall have been shipped. The Company shall keep the property, herein agreed to be sold, fully insured against damages or loss by fire, and to carry marine and *causibility* insurance for the benefit of the Company and the Purchaser as their interests may appear, but in so insuring the property, the Company shall only be held liable for the exercise of a reasonable judgment in the selection of Insurance Company or Insurance Companies, with which it places the risk. [5]

The Company agrees to use all possible diligence in the prosecution of the work and to expedite the delivery and installation of machinery to the best of its ability. The Company is not in any event to be held liable for loss, damage, detention or delay caused by fire, strikes, lockouts, civil or mili-

tary authority, or insurrection or riot, action of the elements, forces of nature, or any other cause beyond its control, nor in any event for consequential damages.

The Purchaser agrees to pay all war taxes assessed or due on any of the material or work of whatever nature.

If for any reason the work is discontinued or interrupted before completion, the Purchaser agrees to pay the Company *with Sixty Days* all moneys due at the time of the interruption of the work, and also all sums which have been retained by the Purchaser as a guarantee for the fulfillment of the work or for any other reason including the Companies commission and all unpaid labor charges.

The title to the apparatus and material herein agreed to be sold, shall not pass from the Company until all payments hereinunder shall have been fully paid in cash. Upon default in any such payments the Company may re-take the property agreed to be sold. In such event the money heretofore paid by the Purchaser to the Company shall be presumed to be the amount of damages sustained by the breach of this agreement and shall be retained by the Company as liquidated damages for the breach.

[6]

The Purchaser agrees to pay to the Company actual cost of all labor, machinery, equipment and building material used in connection with the work, (lumber and piles excluded), the cost of insurance and all costs except freight and transportation

charges of material and men from Seattle, Wash., to Craig, Alaska, plus ten per cent (10%). It being agreed that the Purchaser is to furnish all wood building material and to pay the freight and all transportation charges of material and men from Seattle, Wash., to Craig, Alaska.

It is agreed that the cost of the machinery, material and equipment is to be the cost F. O. B. ship's tackle, Seattle, Wash., plus Fifteen (15%) Per Cent to cover the operation expenses of the Company. The cost of labor is to be the actual cost to the Company.

It is agreed that the Purchaser will pay to the Company Fifty (50%) Per Cent of the cost of all machinery, material and equipment upon presentation of invoices with shipping papers, Twenty-five (25%) Per Cent in Forty Days from due date of First Payment and balance in Thirty (30) Days from completion of contract. The invoice to include the Ten (10%) Per Cent profit to the Company. Labor charges are to be paid in full by the Purchaser every month upon presentation of a bill by the Company which shall not include the Ten (10%) Per Cent profit to the Company. The Ten (10%) Per Cent profit to be paid in Thirty (30) Days from completion of contract.

It is agreed that the Purchaser has the right at any time to examine the books and requisitions of the Company to ascertain the cost of material, machinery and equipment purchased by them. [7]

It is agreed that the cost of the mill complete as per specifications and drawings will not exceed

the estimate of Thirty-two Thousand One Hundred Twenty-five & 00/100 (\$32,125.00) Dollars.

It is agreed that the Company will do the work in a workmanlike manner and when the installation is completed it will be ready for operation and will be left in good running order.

Signed this thirty-first day of October, 1917, A. D.

HILLS-CORBET COMPANY.

By W. W. CORBET.

CRAIG LUMBER COMPANY,

By F. J. TROMBLE,

President.

Witness:

W. C. McCREERY. [8]

LOG HAUL UP.

ITEM #1.

1—2—11/16" Shaft 6'6" long.

2— " F. B. Boxes.

1— " Set Collar.

1—24x9" Pulley.

CIRCULAR MILL.

ITEM #2.

1—Second Hand Lower Circular Arbor 3—15/16" in Diameter made in two sections, first section about 8'3" long, second section 10'3" long.

1—3—15/16"x3—15/16" Safety Flange Coupling New.

2—3—15/16" Set Collars.

1—24x13" Pulley, to drive upper saw.

1—12x9" Pulley, to drive carriage feed.

1—36x24" Main Drive Pulley.

1—14x13" Pulley to drive front end counter shaft.

4—3—15/16" F. B. Boxes, second hand.

2—2-15/16" Adjustable upper arbor boxes new.

reverse idlers to be complete as follows:

1—1-15/16" Shaft 3' long.

1—1-15/16" Shaft 5' long.

2—20x13" Idler Pulleys.

1—10x8" Pulley to drive overhead Canters.

Equipment for Carriage Feed to be as follows:

1—24"x24" Grooved Carriage Drum for 5/8" Cable.

1—24x4" Spur Gear.

1—2-15/16" Shaft 4'6" long.

2—2-15/16" F. B. Boxes.

1—6x4" Spur Pinion, Bored 2-7/16" K. S. Standard.

1—30x10" Square Iron Friction Bored 2-7/16".

2—2-3/16" Shafts 6' long.

2—2-3/16" Sliding Boxes.

2—2-3/16" F. B. Boxes.

2—2-3/16" Set Collars. [9]

2—10x11" Spur Paper Frictions.

1—24x9" Pulley.

1—36x9" Pulley.

2—2-7/16" Shafts 24" long.

4—2-7/16" Solid Boxes Babbitted.

2—36" Idler Sheaves Grooved for 5/8" Cable.

250' 5/8" Wire Cable.

COUNTER SHAFT UNDER LOG DECK.

ITEM #3.

1—2-7/16" Shaft 20' long.

3— " F. B. Boxes.

2— " Set Collars.

1—26x13" Pulley, Receiving.

1—22x9" Pulley, to drive haul up.

1—16x9" Pulley, live roll drive.

1—12x7" Pulley, Conveyor.

1—12x7" Pulley, Machine Shop Counter.

MACHINE-SHOP COUNTER SHAFT.

ITEM #4.

1—1-15/16" Shaft 24' long.

4— " F. B. Boxes.

2— " Set Collars.

1—26x7" Pulley, Receiving.

On this shaft will be pulleys to drive lathe counter-shaft and drill press, the exact size of these pulleys will be determined later.

LIVE ROLLS.

ITEM #5.

11—10x30" Second Hand Live Rolls, Rolls arranged for five foot spacing and will be complete with boxes, gears, gear covers and drive. This drive to be reversible and will be complete with its boxes, frictions and two 10-T #82 sprockets for driving.

20' #82 Chain. [10]

TRANSFER TO EDGER.

ITEM #6.

Iron Work complete for one four line, wood skid, foot trip transfer. Iron work to include head shaft 2-7/16" Dia. 22' long.

4—2-7/16" F. B. Boxes.

4—13-T, #78 Sprockets.

1—10-T, #82 Sprocket.

Tail Shafts 1-15/16" 10' long, complete with their boxes and 13-T #78 Sprockets.

Trip Shaft 1-15/16" Dia. 24' long complete with its boxes, cams, links, foot treddle, etc.

55' #78 Healed Chain.

ROLLS IN FRONT OF EDGER.

ITEM #7.

6-8"x60" Dead Pipe Rolls complete with their boxes.

EDGER.

ITEM #8.

1-Second Hand, left hand, 8x60" Hanson Edger to be complete as usually furnished, arbor pulley 18" in Dia. 17 1/2" Face. Machine arranged for lining up stock on left hand side.

ROLLS BACK OF EDGER.

ITEM #9.

7-8x60" Dead Pipe Rolls complete with their boxes.

DEAD ROLLS.

ITEM #10.

10-10x30" Dead Wooden Rolls complete with 1-7/16" shaft.

20-1-7/16" Solid Boxes Babbitted.

DEAD ROLLS.

ITEM #11.

12-10x30" Dead Wooden Rolls complete with 1-7/16" shaft.

24-1-7/16" Solid Boxes Babbitted. [11]

TRIM SAW.

ITEM #12.

1-Second Hand Trim Saw to be complete as usually furnished, including arbor with its pulley, swing hinges, etc.

RESAW.

ITEM #13.

1—Berlin Second Hand Re-saw, wheels 44" Dia.

RESAW COUNTER SHAFT.

ITEM #14.

1—1-15/16" Shaft 5' long.

2— " F. B. Boxes.

2— " Set Collars.

1—20x11" Pulley.

1—24x11" Pulley.

RIP SAW.

ITEM #15.

1—#445 Mereen Johnson Rip Saw New, table is made of hard wood strips, securely glued together and has a heavy slotted batten secured to the back. Saws 16" in Diameter. Floor space 4'x4'6".

RIP SAW COUNTER SHAFT.

ITEM #16.

1—1-15/16" Shaft 11' long.

3— " F. B. Boxes.

2— " Set Collars.

1—20x7" Pulley.

1—18x7" Pulley.

1—8x5" Pulley.

PRINTER.

ITEM #17.

1—Hall & Brown Improved Double Color, Box-board Printer New, 16x24" complete as usually furnished. [12]

PRINTER COUNTER SHAFT.

ITEM #18.

- 1—1-15/16" Shaft 20' long.
- 3— " F. B. Boxes.
- 2— " Set Collars.
- 1—24x5" Pulley.
- 1—16x9" Straight Face Pulley.

CUT-OFF SAW.

ITEM #19.

- 1—#460, New Mereen Johnson Cut-Off Saw Complete with table 5'x9'. Machine to be complete as usually furnished including one 16" saw.

CUT-OFF SAW COUNTER SHAFT.

ITEM #20.

- 1—15/16" Shaft 4' long.
- 2— " F. B. Boxes.
- 2— " Set Collars.
- 1—20x6" Pulley.
- 1—18x7" Pulley.
- 2—1-15/16" Shafts, 24" long.
- 4— " F. B. Boxes.
- 4— " Set Collars.
- 2—16x7" Idler Pulleys.

PLANER.

ITEM #21.

- 1—Berlin Second Hand Planer, # 47, 10x24".

PLANER COUNTER SHAFT.

ITEM #22.

- 1—1-15/16" Shaft 10' long.
- 3— " F. B. Boxes.
- 2— " Set Collars.

1—24x13" Pulley.

1—24x22" Straight Face Pulley. [13]

EDGER COUNTER SHAFT.

ITEM #23.

1—3-7/16" Shaft, 20' Long.

3— " F. B. Boxes.

2— " Set Collars.

1—3-7/16"x2-7/16" Safety Flange Coupling.

1—50x18" Pulley.

1—36x22" Pulley.

1—30x15" Pulley.

EDGER COUNTER SHAFT.

ITEM #24.

1—2-7/16" Shaft 20' long.

3— " F. B. Boxes.

1—2-7/16"x2-7/16" Safety Flange Coupling.

On this shaft will be pulleys to drive filing room, the exact size of these pulleys cannot be determined at this time.

EDGER COUNTER SHAFT.

ITEM #25.

1—2-7/16" Shaft 16' 6" long.

3— " F. B. Boxes.

1—30x13" Pulley.

1—14x9" Pulley.

1—12x5" Bevel Iron Friction.

TRIM SAW COUNTER SHAFT.

ITEM #26.

1—1-15/16" Shaft 18' long.

2— " F. B. Boxes.

1— " Sliding Box.

- 2— “ Set Collars.
 1—12x5" Bevel Paper Friction.
 1—8x5" Pulley. [14]

TRIM SAW COUNTER SHAFT.

ITEM #27.

- 1—2-7/16" Shaft 20' long.
 3—F. B. Boxes 2-7/16".
 2—2-7/16" Set Collars.
 1—30x15" Pulley.
 1—20x11" Pulley.

TRIM SAW COUNTER SHAFT.

ITEM #28.

- 1—2-7/16" Shaft 20' long.
 3— “ F. B. Boxes.
 1—2-7/16"x2-7/16" Safety Flange Coupling.
 1—18x13" Pulley.
 1—24x9" Pulley.
 1—20x7" Pulley.
 1—22x7" Pulley.
 1—12x5" Bevel Iron Friction.

RIP SAW COUNTER SHAFT.

ITEM #29.

- 1—1-15/16" Shaft 5'6" long.
 1— “ F. B. Box.
 1— “ Sliding Box.
 1— “ Set Collar.
 1—22x7" Pulley.
 1—12x5" Bevel Paper Friction.

MULE STAND.

ITEM #30.

- 1—2-7/16" Shaft 6' long.
 2— “ F. B. Boxes.

- 2— “ Set Collars.
- 2—24x15" Pulleys. [15]

CONVEYOR COUNTER SHAFT.

ITEM #31.

- 1—2-7/16" Shaft 10' long.
- 2— “ F. B. Boxes.
- 2— “ Set Collars.
- 1—30x13" Pulley.
- 1—18x13" Pulley.

CONVEYOR UNDER CIRCULAR MILL.

ITEM #32.

- 1—2-7/16" Shaft 4'6" long.
- 2— “ F. B. Boxes.
- 1— “ Set Collar.
- 1—48x4" Spur Gear.
- 1—18-T, #78 Sprocket.
- 1—1-15/16" Shaft 4' long.
- 2— “ F. B. Boxes.
- 1— “ Set Collar.
- 1—6x4" Spur Pinion.
- 1—30x9" Pulley.
- 3—1-15/16" Shafts 30" long.
- 6— “ Solid Boxes Babbitted.
- 6— “ Set Collars.
- 3—18-T, #78 Sprockets.
- 130' #78 Chain with B. & F. attachments every 3'.
- [16]

CONVEYOR OVER BOILERS.

ITEM #33.

- 1—2-15/16" Shaft 4' long.

- 2— “ F. B. Boxes.
 2— “ Set Collars.
 1—9-T #540 Sprocket.
 1—36x4" Bevel Gear.
 1—2-7/16" Shaft 4' long.
 2— “ F. B. Boxes.
 2— “ Set Collars.
 1—6x4" Bevel Pinion.
 1—32x8" Spur Iron Friction.
 1—1-15/16" Shaft 3'8" long.
 1— “ F. B. Box.
 1— “ Sliding Box.
 1— “ Set Collar.
 1—8x9" Spur Paper Friction.
 1—28x9" Pulley.
 1—2-7/16" Shaft 14' long.
 3— “ Solid Boxes Babbitted.
 2— “ Set Collars.
 1—9-T #540 Sprocket.
 1—15" #82 Sprocket.
 1—2-3/16" Shaft 3' long.
 2— “ Solid Boxes Babbitted.
 2— “ Set Collars.
 1—9-T #540 Sprocket.
 1—8x3" Bevel Gear.
 1—1-15/16" Shaft 30" long.
 2— “ Solid Boxes Babbitted.
 2— “ Set Collars.
 1—18x10" Chain Drum. [17]
 (ITEM #33 Contd.)
 1—2-3/16" Shaft 4' long.

- 2— “ Solid Boxes Babbitted.
- 1— “ Set Collar.
- 1—15" #82 Sprocket.
- 1—8x3" Bevel Gear.
- 1—2-3/16" Shaft 3' long.
- 2— “ Solid Boxes Babbitted.
- 2— “ Set Collars.
- 1—9-T #540 Sprocket.
- 2—15" #82 Sprockets.
- 1—1-15/16" Shaft 30" long.
- 2— “ Solid Boxes Babbitted.
- 2— “ Set Collars.
- 1—18x10" Chain Drum.
- 50' #82 Healed Chain.
- 250' #540 Saw-dust Chain.

CONVEYOR TO BURNER.

ITEM #34.

- 1—2-15/16" Shaft 5' long.
- 2— “ F. B. Boxes.
- 1— “ Set Collar.
- 1—5-T Expansion Sprocket for 1"x7" Round Link Cable.
- 1—18" #87 Sprocket.
- 1—2-7/16" Shaft 3'6" long.
- 2— “ Solid Boxes Babbitted.
- 2— “ Set Collars.
- 1—20x20" Chain Drum for 1" Chain.
- 1—2-15/16" Shaft 5' long.
- 2— “ F. B. Boxes.
- 1— “ Set Collar.

1—5-T Expansion Sprocket 1"x7" Round Link Cable.

1—18" #87 Sprocket. [18]

(ITEM #34 Cont'd)

1—3-7/16" Shaft 6' long.

2— " F. B. Boxes.

1— " Set Collar.

1—5-T Expansion Sprocket for 1"x7 Chain.

1—40x5" Spur Iron Gear.

1—2-15/16" Shaft 6' long.

2— " F. B. Boxes.

1— " Set Collar.

1—10x4" Spur Pinion.

1—36x9" Spur Iron Friction.

1—2-7/16" Shaft 7'6" long.

1— " F. B. Box.

1— " Sliding Box.

1— " Set Collar.

1—9x10" Spur Paper Friction.

1—36x13" Pulley.

1—2-15/16" Shaft 3'6" long.

1—2-7/16" Shaft 3'6" long.

2—2-15/16" Solid Boxes Babbitted.

2—2-7/16" " " "

2—2-15/16" Set Collars.

2—2-7/16" " "

2—20x20" Chain Drums for 1x7" Chain.

350' 1"x7" Round Link Cable Chain.

ENGINE TIGHTENER.

ITEM #35.

1—2-15/16" Shaft 4' long.

- 2— “ F. B. Boxes.
- 2— “ Set Collars.
- 1—30x25" Idler Pulley. [19]

ENGINE TIGHTENER.

ITEM #36.

- 1—2-15/16" Shaft 4' long.
- 2— “ F. B. Boxes.
- 2— “ Set Collars.
- 1—30x23" Tightener Pulley.
- 1

EDGER TIGHTENER.

ITEM #37.

- 1—2-3/16" Shaft 36" long.
- 2— “ F. B. Boxes.
- 2— “ Set Collars.
- 1—24x18" Tightener Pulley.

BOILERS.

ITEM #38.

- 2—72x18' O" Lap Joint 100 Lb. Pressure Boilers, complete with Dutch Oven setting and catalogue fittings. Second Hand.

FEED WATER PUMP.

ITEM #39.

- 1—7½x5x6" Steam Feed Water Pump. Second Hand.

LIGHTING OUTFIT.

ITEM #40.

- 1—7½ KW. Generator belted to one 10 HP. Automatic Engine. Second Hand.

ENGINE.

ITEM #41.

1—Second Hand 16x22" Engine complete with all catalogue fittings.

1—Second Hand 18x22" Engine complete with all catalogue fittings.

BELTING.

ITEM #42.

All Rubber Belting necessary for connecting transmission, as specified in specifications and shown on drawing.

LATHE.

ITEM #43.

1 Iron Lathe to Swing up to 16" Second Hand. [20]

PIPING.

ITEM #44.

All Steam Piping necessary to connect up Engine with Boilers and Dry Kiln as specified and shown on Drawing.

BLOW PIPE SYSTEM.

ITEM #45.

Blow Pipe System including 40" Exhaust Fan, collector and Piping to throw shavings into Boiler Room.

DRY KILN.

ITEM #46.

All Dry Kiln equipment including piping, trucks as per Blue-print furnished by the North Coast Dry Kiln Co.

FILING ROOM MACHINERY.

ITEM #47.

1—Grinder for Re-saw, Second Hand.

- 1—Saw Gummer for 60" Saw, Second Hand.
- 1—Brazing Clamp, Second Hand.
- 1—Lap Grinder, Second Hand.
- 1—Shear & Punch, Second Hand.

SAWS.

ITEM #48.

- 2—60" Inserted Tooth Second Hand Circular Saws for Head Rig.
- 2—Band Saws for Re-saw.
- 1—Set of Saws for Edger six in number, Second Hand.
- 2—16" Saws for Rip Saw.
- 2—16" Saws for Cut-Off in Box Factory.

ELECTRIC WIRE.

ITEM #49.

- 1000' #14 Rubber Covered Wire.

LABOR.

ITEM #50.

All labor necessary for building of buildings, installation of Boilers, Engines, Pump, Feed Water Heater, Transmission, Edger, Boxboard Machinery and Planer, in fact everything that shows on the drawing and included in specifications. [21]

FEED WATER HEATER.

ITEM #51.

- 1—500 HP. second hand Feed Water Heater. [22]
No. 928. This certifies that the within Instrument was filed for record in the office of the Ketchikan Recording District No. 8, and recorded on the 9 day of April, 1918, at 9 o'clock A. M. in Vol. 4 of Misc., at page 258-266, of the records of said office at Ketchikan, Alaska.

WM. T. MAHONEY,
Recorder. [23]

Inv. No.	Date.	Description.	Contract.	Extra.
231	Nov. 15 '17	1 Berlin #283 (S. H.) Re-saw..\$ 603.50		
		Cartage	3.00	
			<hr/>	
			606.50	
		15% operating expense	90.98	
			<hr/>	
			697.48	
		10% profit	69.74	\$ 767.22
			<hr/>	
223	"	1 16"x22" Atlas Engine complete with catalog fittings.....		
		1 #3 Jewel Engine, automatic complete with cat. fit.	952.50	
		15% operating expense	142.88	
			<hr/>	
			1095.38	
		10% profit	109.53	
			<hr/>	
			1204.91	1204.91
227	"	1 Frost Engine 18x20" (S. H.)..	827.50	
		15% operating expense	124.13	
			<hr/>	
			951.63	
		10% profit	95.16	1046.79
			<hr/>	
235	"	1 60" Hand Saw Gummer (S. H.).	35.00	
		15% operating expense	5.25	
			<hr/>	
			40.25	
		10% profit	4.02	44.27
			<hr/>	
226	"	1 16" Iron Lathe Complete with catalog fittings	450.00	
		1 12x5 Split Pulley bore 1 15/16".	4.00	

Hills-Corbet Company.

Inv. No.	Date.	Description.	Contract.	Extra.
226	Nov. 15 '17	1 16x5 Steel Pulley bore 1 15/16".	5.25	
			<hr/>	
			459.25	
		15% operating expense	68.89	
			<hr/>	
			528.14	
		10% profit	52.81	580.95
			<hr/>	
221	"	Dry Kiln Equipment f. o. b. dock	3165.00	
		15% operating expense	474.75	
			<hr/>	
			3639.75	
		10% profit	363.97	4003.72
			<hr/>	
229	"	1 #66 L. H. Coval saw sharpener		
		(S. H.)	100.00	
		Crating	2.00	
		Cartage	3.00	
			<hr/>	
			105.00	
		15% operating expense	15.75	
			<hr/>	
			120.75	
		10% profit	12.07	132.82
			<hr/>	
232	"	1 Mereen-Johnson #460 cut-off saw		
		table	89.75	
		Freight	16.00	
		Unloading	1.00	
		Crating	8.82	
		Cartage	1.75	
			<hr/>	
			117.32	
		15% operating expenses	17.60	
			<hr/>	
			134.92	
		10% profit	13.49	148.41
			<hr/>	

Inv. No.	Date.	Description.	Contract.	Extra.
230	Nov. 15 '17	1 #445 Mereen-Johnson Rip Saw..\$ 68.00		
		Table fob Minneapolis		
		Freight to Seattle	12.00	
		Unloading	1.00	
		Crating	8.82	
		Cartage	1.75	
			<hr/>	
			91.57	
		15% operating expense	13.74	
			<hr/>	
			105.31	
		10% profit	10.53	\$ 115.84
			<hr/>	
255	Nov. 27 '17	2 No. 1 Hussey Pat. Dry Kiln		
		Doors	125.00	
		40 ft. Track & Fixtures.....		125.00
			<hr/>	
241	"	1 72"x18' lap seam boiler com....	1579.50	
		15% operating expenses	236.93	
			<hr/>	
			1816.43	
		10% profit	181.64	1998.07
			<hr/>	
233	"	50,000 common brick	450.00	
		16,000 standard sq. fire brick..	544.00	
		2,000 end wedge " " ..	68.00	
		1,000 side arch " " ..	34.00	
		4 tons fire clay	50.00	
		War tax	5.53	
			<hr/>	
			1151.53	
		15% operating expense	172.73	
			<hr/>	
			1324.26	
		10%	132.43	1456.69

Hills-Corbet Company.

Inv. No.	Date.	Description.	Contract.	Extra.
224	Nov. 27 '17	1 7½ KW. 1100 RPM. 125 V. DC. Generator complete		
		15% operating expense		
				201.25
		10%	221.38	
237	"	1 Cyclone dust collector		
		15% operating expense		
				63.66
		10%	70.03	
247	"	1 72"x20' Boiler, stack and fittings		
		15% operating expense		
				1136.59
		10%	1250.25	
248	"	1 Lot of pipe fittings		
		1 Lot of blow pipe		
		15% operating expense		
				46.83
		10%	51.51	
249	"	1 8'-0" of 5" pipe		
		1 15'-0" of 5" pipe		
		1 5" ell		
		1 21' 0" of 4" pipe		
		1 Lot of blow pipe		
		200 ' of ½" wire rope		
		15% operating expense		
				88.57
		10%	97.43	

Inv. No.	Date.	Description.	Contract.	Extra
250	Nov. 27 '17	86 $\frac{1}{2}$ x36 bolts		
		10 $\frac{1}{2}$ x44 "		
		11 $\frac{5}{8}$ x36 "	\$ 14.87	
		15% operating expense	2.23	
			<hr/>	
			17.10	
		10%	1.71	\$ 18.81
			<hr/>	
243	"	50 Bls. Pacific Line @ \$1.70.....	85.00	
		25 Sacks Portland Cement @ \$3.20		
		per Bl.	20.00	
			<hr/>	
			105.00	
		15% operating expense	15.75	
			<hr/>	
			120.75	
		10%	12.08	132.83
			<hr/>	
236	"	78 Sps. 2 ply roofing	128.70	
		100 lbs. wire spikes 8'	5.05	
		2 kgs. com. wire nails 60D.....	9.90	
		4 " Do 40D.....	19.80	
		6 " Do 20D.....	29.70	
		2 " Do 12D.....	10.00	
		2 " Do 6D.....	10.30	
		2 500 sq. ft. rolls 2 ply bldg. paper	4.40	
			<hr/>	
			217.85	
		15% operating expense	32.68	
			<hr/>	
			250.53	
		10%	25.05	275.58
			<hr/>	

Hills-Corbet Company.

Inv. No.	Date.	Description.	Contract.	Extra.
238	Nov. 27 '17	25 lb. Wrot Washers 1/2		
		10 lb. 5/8		..
		10 lb. 3/4		..
		5 lb. 7/8		..
		200 Mach. Bolts 1/2x6 1/2		
		150 1/2x8		
		150 1/2x10		
		100 11		
		100 12		
		150 5/8x6 1/2		
		150 8		
		100 10		
		200 12		
		150 3/4x8		
		150 12		
		100 14		
		100 18		
		50 24		
		50 30		
		50 Cast Washers 1"		
		24 Do 1 1/8		
		300 lin. ft. RD. Iron 1/2"		
		250 Do 5/8		
		200 3/4		
		150 7/8		
		100 1		
		50 1 1/8		
		100 Com. Iron 1/8x1	332.73	
		50 1/2x1 1/2	332.73	
		15% operating expense	49.91	
			<hr/>	
			382.64	
		10%	38.26	420.90
			<hr/>	
238	"	50 Mach. Bolts 1/2x24		
		50 Do 30		

Inv. No.	Date.	Description.	Contract.	Extra.
238	Nov. 27 '17	50 Mach. Bolts 5/8x26	24.45	
		15% operating expense	3.67	
			<hr/>	
			28.12	
		10%	2.81	30.93
			<hr/>	
				[26]
279	Jan. 23 '18	10,000 Standard square fire bricks		
		@ 35.00	\$560.00	
		2,000 end wedge fire brk. @ 35.00	70.00	
		1,000 side arch " " "	35.00	
		50,000 common bricks @ 9.00....	450.00	
		4 tons fire clay 12.50.....	50.00	
		70 bls. lime 1.70.....	119.00	
		1 Generator	200.00	
		1 Boiler Front	125.00	
		War Tax	5.63	\$1614.63
			<hr/>	
280	Jan. 24 '18	142 sacks Superior Cement.....	113.60	
		15% operation expense	17.04	
			<hr/>	
			130.64	
		10% profit	13.06	143.70
			<hr/>	
282	"	102-1 Lineal ft. 2" blk. Pipe		
		83-2 " " 2 1/2 " "		
		41-6 " " 3 " "		
		55-3 " " 4 " "		
		83-11 " " 5 " "		
		41-6 " " 6 " "		
		1 Pc. 6" Blk. Pipe 3'		
		2 " 6 " " 4'		
		1 " 6 " " 6'		
		1 " 6 " " 9'	365.15	

Inv. No.	Date.	Description.	Contract.	Extra.
282	Jan. 24 '18	10 6" Threads	9.63	
		6 6 Cuts		
		2 4x closed Blk. Nipples		
		3 4x12 " "		
		2 5x closed " "		
		2 6x " " "		
		2 6x " " "	10.78	
		3 4" C 1 Flange Unions		
		3 5 " " "		
		4 6 " " "		
		4 3" Ells.		
		8 4 "		
		6 5 "		
		5 6 "		
		7 1½ "		
		8 2" Tees.		
		3 2½ "		
		6 3 "		
		8 4 "	87.64	
387-7		2" Blk. Pipe	91.12	
		4 5" C. I. Tees.		
		2 4x6 C. I. Tees		
		2 5x4x5 C. I. Tees.		
		3 5 " "		
		2 6 " "		
		2 6x4 " "		
		2 6 " Crosses	62.01	
		8 ¾ Blk. Unions		
		6 1 " "		
		3 1½ " "		
		6 1½ " "		
		8 2 " "		
		3 2½ " "	11.18	

Inv. No.	Date.	Description.	Contract.	Extra.
282	Jan. 24 '18	4 1½ check valves		
		2 2 " "		
		2 ¾ Globe Valves		
		2 1 " "		
		6 1½ " "		
		4 2 " "	\$ 59.86	
		2 2½ I. B. Gate Valves		
		2 3 " " "		
		3 4 " " "		
		5 5 " " "		
		1 6 " " "	212.67	
		61 ¾ Galv. Pipe	6.13	
		6 ¾ " Ells		
		7 1½ Blk. Ells	1.85	
		2 6x2½ Face Bushing.		
		2 6x2 " "	10.13	
			<hr/>	
			928.15	
		15% operating expense	139.22	
			<hr/>	
			1067.37	
		10% profit	106.74	\$1164.11
			<hr/>	
225	"	1 600 H. P. Feed Water Heater		
		1 7x5x10 Fairbanks Morse Pump.	400.00	
		Cartage	2.00	
		Crating	12.21	
			<hr/>	
			414.21	
		15% operating expense	62.13	
			<hr/>	
			476.34	
		10%	47.63	523.97
			<hr/>	

Hills-Corbet Company.

Inv. No.	Date.	Description.	Contract.	Extra.
281	Jan. 24 '18	2 band Saws 22'x5"x19 Ga. 1¾		
		Spaced Left Hand	69.70	
		15% operating expense	10.45	
			<u>80.15</u>	
		10% profit	8.02	88.17
			<u>88.17</u>	
284	"	Insurance Curacoa	40.43	
		" Bavall	30.85	
		" Liability	296.75	
			<u>368.03</u>	
		15% operating expense	50.20	
			<u>418.23</u>	
		10%	41.82	460.05
			<u>460.05</u>	
285	"	Freight on Dry Kiln Doors.....	15.76	
		15% operating expense	2.36	
			<u>18.12</u>	
		10%	1.81	19.93
			<u>19.93</u>	
287	"	4 1 Beams 10"x20' 0"		
		2 " 10"x12' 0"		
		2 " 10"x13' 0"		
		4 " 5"x10' 0"		
		4 " 5"x 4' 6"		
		2 " 6"x10' 0"	192.50	
		Loading	2.25	
		Freight	11.74	
		Cartage	4.00	
			<u>210.49</u>	
		15% operating expense	31.57	
			<u>242.96</u>	
		10%	24.21	\$ 266.27
			<u>266.27</u>	

E. L. Cobb vs.

Inv. No.	Date.	Description.	Contract.	Extra.
288	Jan. 24 '18	1 Transfer Truck complete.....	\$ 150.00	
		15% operating expense	22.50	
			<hr/>	
			172.50	
		10%	17.25	\$ 189.75
			<hr/>	
286	"	Transmission Machinery as per enclosed manifest	1601.35	
		Cartage	9.50	
		Crating	37.97	
			<hr/>	
			1648.82	
		15% operating expense	247.32	
			<hr/>	
			1896.14	
		10%	189.61	\$2085.75
			<hr/>	
259	"	1 50" exhaust blower with 10"x10" pulley	90.00	
		15% operating expense	13.50	
			<hr/>	
			103.50	
		10% profit	10.35	113.85
			<hr/>	
228	"	2 60" Inserted Tooth Circular Saws	180.00	
		Repairs	52.35	
		Cartage50	
			<hr/>	
			238.85	
		15% operating expense	35.83	
			<hr/>	
			274.68	
		10%	27.47	302.15
			<hr/>	

Hills-Corbet Company.

35

Inv. No.	Date.	Description.	Contract.	Extra.
290	Jan. 24 '18	1 Smoke Stack 30"x40'	185.00	
		17 Grate Bars	90.00	
			<hr style="width: 100%;"/>	
			275.00	
		15%	41.25	
			<hr style="width: 100%;"/>	
			316.25	
		10%	31.62	
			<hr style="width: 100%;"/>	347.87
283	"	25 lb. Wrt. Washers ½	2.50	
		10 lb. " " ⅝95	
		10 lb. " " ¾93	
		5 lb. " " ⅞45	
		10 lb. White Lead 2-5a.....	1.50	
		1 only Can Graphite 632 #2 Flake.	.65	
		2 L. C. Wire Tape #3 8oz.....	.70	
		½ Doz. 2 oz. Nokorode Solder Paste	.11	
		2 lb. ½x½ Solder 2 lb.	1.00	
		1000 Tind Tinnors Rivets 1#		
		1000 " " 2#		
		1000 " " 12#	4.34	
		300 Lin. ft. Mild Steel Rd. ½ 320#.	15.84	
		250 " " ⅝ 307#.	14.89	
		200 " " ¾ 298#.		
		150 " " ⅞ 324#		
		100 " " 1 263		
		50 " " 1⅛ 205 .	51.78	
		100 " " Bands ⅛x1 53#.	3.42	
		50 " " Mild Steel ½x1½ 153 .	7.27	
		6 Rolls 2 ply 500 sa. ft. P. & B.		
		Bldg. Paper	13.20	
		30 Sq. 2 ply Cascade Roofing.....	49.50	
		5 lb. Read Lead80	
		2 Cal. Roof Dressing	1.40	
			<hr style="width: 100%;"/>	
			171.23	
		Insurance	1.95	
			<hr style="width: 100%;"/>	172.18

Inv. No.	Date.	Description.		Contract.	Extra.
300	Jan. 24 '18	1 5' Bath Tub and fittings.....	\$ 57.96		\$ 63.76
		10%	5.80		
			<hr/>		
291	Jan. 31 '18	Labor of B. F. Book No. 27 to Jan 8	202.30		
		Credit, advanced by Cloudy	75.42	\$ 126.90	
			<hr/>		
301	Jan. 24 '18	Profit on Invoice No. 255 Nov. 27, 1917	\$ 125.00		
		15% of \$125.00.....	18.75	18.75	
			<hr/>		
		10%	143.75		
		10%	14.38	14.38	
		Profit on Invoice No. 283 Jan. 24, 1918	\$ 172.18		
		15% of \$172.18.....	25.83	25.83	
			<hr/>		
			198.01		
		10%	19.80	19.80	78.76
			<hr/>		
302	Jan. 28 '18	Freight on Boiler and fittings From Ballard to Grand Trunk Dock Nov. 26, 1917	4.50	4.50	
			<hr/>		
303	Jan. 31 '18	Cartage on Generator from Gray & Barash to Dock Jan. 24, '18	.75		
		Material for crating transmission	1.84		2.59
			<hr/>		
305	Feb. 8 '18	1 Only #50 High Lead Block, Mang.	220.50		
		15%	33.08		
			<hr/>		
			253.58		
		10%	25.36		278.94

Hills-Corbet Company.

Inv. No.	Date.	Description.	Contract.	Extra.
296	Feb. 4 '18	25 1" Boom Chains (Second Hand but in good condition).....		
		112.50		
		15%	16.88	
			<hr style="width: 100px; margin-left: auto; margin-right: 0;"/>	
			129.38	
		10%	12.94.	142.32
			<hr style="width: 100px; margin-left: auto; margin-right: 0;"/>	
306	Feb. 4 '18	Insurance on material shipped on Admiral Wainright		
		28.45		
		15%	4.27	
			<hr style="width: 100px; margin-left: auto; margin-right: 0;"/>	
			32.72	
		10%	3.27	35.99
			<hr style="width: 100px; margin-left: auto; margin-right: 0;"/>	
321	Mar. 2 '18	Transmission machinery as per enclosed manifest		
		4437.71		
		15%	665.66	
			<hr style="width: 100px; margin-left: auto; margin-right: 0;"/>	
			5103.37	
		10%	510.33	5613.70
			<hr style="width: 100px; margin-left: auto; margin-right: 0;"/>	
319	Mar. 2 '18	300 ft. 3/4"x6"x1 1/2" Conveyor Chain		
		150.00		
		2 3/4"x6"x1/12" Cold Shuts.....	1.50	
			<hr style="width: 100px; margin-left: auto; margin-right: 0;"/>	
			151.50	
		Cartage	1.50	
			<hr style="width: 100px; margin-left: auto; margin-right: 0;"/>	
			153.00	
		15%	22.95	
			<hr style="width: 100px; margin-left: auto; margin-right: 0;"/>	
			175.95	
		10%	17.60	193.55
			<hr style="width: 100px; margin-left: auto; margin-right: 0;"/>	

E. L. Cobb vs.

Inv. No.	Date.	Description.	Contract.	Extra.
289	Mar. 2 '18	1 48" Cutoff Saw	\$ 74.75	
		15%	11.21	
			<hr/>	
			85.96	
		10%	8.60	\$ 94.56
			<hr/>	
322	"	24 Cotton Top Mattresses.....	50.40	
		15%	7.56	
			<hr/>	
			57.96	
		10%	5.80	\$ 62.76
			<hr/>	
325	"	1 Piece of 3 15/16" Shafting 15'		
		long	51.74	
		1 3 15/16" Flange Coupling.....	23.40	
			<hr/>	
			75.14	
		15%	11.27	
			<hr/>	
			86.41	
		10%	8.64	95.05
			<hr/>	
320	"	12 Double Deck Steel Bunks.....	132.00	
		15%	19.80	
			<hr/>	
			151.80	166.98
		10%	15.18	
			<hr/>	
323	"	3 Boiler feed rings as per sketch.	61.00	
		15%	9.15	
			<hr/>	
			70.15	
		10%	7.02	77.17
324	"	40 ft. of #82 plain chain		
		60 ft. of #78 " "		
		115 ft. of #78 B.&F attach. every		
		5 ft.		

Hills-Corbet Company.

Inv. No.	Date.	Description.	Contract.	Extra.
324	Mar. 2 '18	110 ft. of #82 Plain Chain		
		80 ft. of #104 " "		
		60 ft. of #104 " "		
		40 ft. of #87 " "	521.80	
		15%	78.27	
			<hr style="width: 100px; margin-left: auto; margin-right: 0;"/>	
			600.07	
		10%	60.01	660.08
			<hr style="width: 100px; margin-left: auto; margin-right: 0;"/>	
317	"	25 Sacks Cement	46.88	
		15%	7.03	
			<hr style="width: 100px; margin-left: auto; margin-right: 0;"/>	
			53.91	
		10%	5.39	59.30
			<hr style="width: 100px; margin-left: auto; margin-right: 0;"/>	
328	"	4 360 Air tight stoves	48.00	
		4 6" All Bampers43	
		26 6" Galv. Stoves Pipe 26 ga.	11.70	
		4 7 to 6 do 24 ga.	2.80	
		Crating	3.00	
		25 lb. White waste	4.38	
		12 lb. 1/2 sq. Tapd. nuts.	1.59	
		15 lb. 5/8 Do	1.73	
		15 lb. 3/4 Do		
		15 lb. 7/8 Do		
		10 lb. 1 Do 40 lb.	4.40	
		56 lb. Frictionless Babbitt Metal.	14.56	
		53 lb. Genuine Babbitt Metal	43.46	
		Insurance75	
			<hr style="width: 100px; margin-left: auto; margin-right: 0;"/>	
			136.80	
		15%	20.52	
			<hr style="width: 100px; margin-left: auto; margin-right: 0;"/>	
			157.32	
		10%	15.73	173.05
			<hr style="width: 100px; margin-left: auto; margin-right: 0;"/>	

Inv. No.	Date.	Description.	Contract.	Extra.
345	Mar. 15 '18	Knives for planer		
		6 knives 24x4x7/16		
		4 " 4x6x7/16		
		42 Planer bolts #20 complete....\$	60.14	
		15%	9.02	
			<u>69.16</u>	
		10%	6.92	\$ 76.08
330	"	150 ft. 5" 4 pl. Mohawk Belt		
		150 ft. 6" 4 pl. " "		
		210 ft. 7" 4 pl. " "		
		100 ft. 8" 5 pl. " "		
		125 ft. 8" 5 pl. " "		
		125 ft. 10" 5 pl. " "	394.20	
		360 ft. 12" 6 pl. R. S. "		
		84 ft. 14" 6 pl. " "		
		90 ft. 16" 6 pl. " "	676.07	
		175 ft. 20" 6 pl. Sagamore "	424.20	
			<u>1490.00</u>	
		15%	223.50	
			<u>1713.50</u>	
		10%	171.35	1884.85
333	"	1000 ft. #4 R. C. Wire.....	14.50	
		15%	2.18	
			<u>16.68</u>	
		10%	1.67	18.35
225-A	"	Welding pump shipped Jan. 24.	7.50	
		" heater shipped Jan. 24.	40.00	
			<u>47.50</u>	
		15%	7.12	
			<u>54.62</u>	
		10%	5.46	60.08

Hills-Corbet Company.

Inv. No.	Date.	Description.	Contract.	Extra.
337	Mar. 15 '18	225 ft. 35# relayers.....	91.88	
		8 pairs fishplates	5.20	
		Cartage	1.50	
			<hr/>	
			98.58	
		15%	14.79	
			<hr/>	
			113.37	
		10%	11.33	\$ 124.70
			<hr/>	
336	"	50 ft. 3" Heart single belt.....	20.88	
		6 sides Crescent Lace	44.18	
			<hr/>	
			65.06	
		15%	9.76	
			<hr/>	
			74.82	
		10%	7.48	82.30
			<hr/>	
326	"	1 second hand Hanson Edger...	1360.49	
		15%	204.07	
			<hr/>	
			1564.56	
		10%	156.45	1721.01
			<hr/>	
335	"	3 rolls of 2 ply roofing.....	11.40	
		15%	1.71	
			<hr/>	
			13.11	
		10%	1.31	14.42
			<hr/>	

Inv. No.	Date.	Description.	Contract.	Extra.
222	Mar. 15 '18	1 No. 47 Berlin Planer 10"x24" ..	\$1163.79	
		15%	174.57	
			<hr/>	
			1338.36	
		10%	133.84	\$1472.20
			<hr/>	
346	"	1 Brazing Clamp with legs.....	72.25	
		1 lap grinder	42.50	
			<hr/>	
			114.75	
		Freight	15.63	
			<hr/>	
			130.38	
		15%	19.56	
			<hr/>	
			149.94	
		10%	14.99	164.93
			<hr/>	
362	Apr. 3 '18	Expenses of P. L. Hagen Graig to		
		Seattle	139.34	
		W. M. Benn		
		R. J. Gibney		
		Theo. Barth		
		Expense of P. L. Haugen		
		W. M. Benn		
		H. J. Gibney at		
		Wrangel Hotel..	27.00	
		P. L. Haugen &		
		W. M. Benn 7½		
		days @ \$6.50..	91.50	
		H. J. Gibney 8 days		
		@ 7.00.....	56.00	312.84
			<hr/>	

Hills-Corbet Company.

Inv. No.	Date.	Description.	Contract.	Extra.
369	Mar. 15 '18	3½ D. C. Generator with pulley rails and rheostat		
		200.00		
		Cartage		
		1.00		
		<hr/>		
		201.00		
		15%		
		30.15		
		<hr/>		
		231.15		
		10%		
		23.11		254.26
		<hr/>		
370	"	Pump fitted with brass rods.....		
		565.00		
		Cartage		
		1.50		
		<hr/>		
		566.50		
		15%		
		84.98		
		<hr/>		
		651.48		
		10%		
		65.15		716.63
		<hr/>		
360	Apr. 3 '18	Insurance on Redondo 3/8/18..		
		35.00		
		15%		
		5.25		
		<hr/>		
		40.25		
		10%		
		4.03		44.28
		<hr/>		
367	Apr. 24 '18	1 Removable cylinder for FM Pump 7x5x10		
		15.55		
		Express		
		.98		
		Cartage		
		.50	17.03	
		<hr/>		
392	May 14 '18	Expenses of Al. McClellan and C. M. Sweatt from Craig to Seattle		
		76.30		
		6 days time @ \$4.50.....		
		54.00	130.30	
		<hr/>		

Inv. No.	Date.	Description.	Contract.	Extra
393	May 15 '18	Interest on \$5000 for 20 days @ 7%	\$ 18.47	\$ 18.47
		Interest charged by the bank on account of delay in payment by the Bank of Alaska at Wrangell pending adjustment of your acct.		
395	May 17 '18	Time and expenses of Carl Pahl from Craig to Seattle.....	59.65	\$ 59.65
403	May 29 '18	1 30x24 double arm pulley, bore 3/15/16 K. S. Standard.....	150.00	
		Cartage	1.00	
			151.00	
		15%	22.65	
			173.65	
		10%	17.37	191.02
			\$31780.40	\$5220.10

PAYMENTS MADE.

Dec. 8 '17	\$ 4020.44
Dec. 17 '17	3812.23
Jan. 24 '18 (Cr. Mem.)	11.56
Feb. 1 Cash.....	4461.63
Feb. 20 "	276.51
Mar. 5 "	361.45
Mar. 18 "	5000.00
July 19 "	1000.00
Dec. 8 '18	1000.00
Total.....	\$ 19943.82

SUMMARY.

Total Invoices under contract.....	\$31780.40	
Total Invoices for extras	5220.10	
Payments		19943.82
Labor paid by Craig Lbr. Co.		6443.76
10% on Labor	644.37	
Balance due		11257.29
Totals.....	\$37644.87	\$37644.87

NOTE.—Plaintiff’s Exhibit “A” (Plan of Sawmill for Craig Lumber Co., Craig, Alaska) omitted pursuant to stipulation of counsel.

In the District Court for the District of Alaska,
Division No. One, at Juneau.

In the Matter of the CRAIG LUMBER COMPANY,

Bankrupt.

Amendment to Bill of Particulars.

Comes now the petitioner, Hills-Corbet Company, and amends its bill of particulars filed in the above-entitled action in the following particulars to wit:

Contract Extra

To invoices of Nov. 27, 1917, add following:

Passenger fares of workmen from Seattle to Craig.....	477.36
Change Invoice No. 287 on page 5 to read on contract, as follows	266.27
Change Invoice No. 283 on page 6 to read on contract, as follows....	172.18
Change Invoice No. 323, on page 8 to read on contract, as follows..	77.17
Change Invoice No. 330 on page 9 to read part on contract and part extra, as follows.....	1273.46
Omit Invoice 369 on page 10	611.39

Change Invoice 360 on page 10 to

read on contract, as follows. 44.28

(Signed) NEWARK L. BURTON,

GATES & HELSELL,

Attorneys for Petitioner.

Filed in the District Court, District of Alaska,
First Division. Mar. 17, 1920. J. W. Bell, Clerk.

By _____, Deputy. [36]

In the United States District Court for Alaska,
Division No. One, at Juneau.

No. 31—BANKRUPTCY.

In the Matter of the CRAIG LUMBER COM-
PANY, a Corporation,

Bankrupt.

**Demurrer to the Petition of the Hills-Corbett
Company.**

Now comes E. L. Cobb, trustee in the above-en-
titled and numbered cause, and demurs to the peti-
tion of the Hills-Corbett Company on the ground
that the said petition does not state facts sufficient
to entitle the petitioner to the relief prayed for, or
to any relief, for the following reasons, to wit:

(1) The relief prayed for, and the only relief
that could be granted under the allegations of the
petition is a return of certain property:

(2) Said relief is based upon the allegation
that the said property was obtained by the bank-
rupt under a conditional sale, and the failure of

the bankrupt to pay the purchase price:

(3) The alleged contract of conditional sale attached to and made a part of the petition shows conclusively that the said contract was not a conditional sale, and a contract for the construction of a mill building and the equipping of the same with machinery.

(4) That the attempted reservation of title to the machinery, etc., was not a reservation of title till the purchase price was paid, but an attempted reservation to secure the entire amount of the building contract.

(5) There is not sufficient certainty in the description of the property to enable the Court to set apart and order a return of the same.

(6) All said machinery, apparatus & etc., has become, and is now a part of the realty upon which the mill was built.

WHEREFORE your Trustee prays that said petition be dismissed.

(Signed) J. H. COBB,
Attorney for Trustee.

Filed September 18, 1919. H. B. Le Fevre,
Referee in Bankruptcy, First Division of Alaska,
Box 613, Juneau, Alaska. [37]

In the District Court of the United States for the
District of Alaska, Division Number One, at
Juneau.

No. 31—IN BANKRUPTCY.

JOHN H. COBB, Esq.

In the Matter of CRAIG LUMBER COMPANY,
a Corporation,

Bankrupt.

HILLS-CORBET COMPANY,

Petitioner,

vs.

E. L. COBB,

Trustee.

Decision of Referee, Newark L. Burton, Esq.

Friday, October 31, 1919.

This controversy arose upon the petition of the Hills-Corbet Company that the trustee be directed to deliver petitioner's certain property described in a contract for building and equipping the bankrupt's sawmill, on the ground that the contract is a conditional contract of sale wherein the title to the machinery installed in the sawmill was given third parties through the recording of the contract. Respondent moved that the petition be made more definite and certain and petitioners filed the contract and the plans and specifications.

Whereupon respondent demurred to the petition on several grounds among which the fourth and fifth grounds have been the subject of argument

between the counsel and which include the other grounds of the demurrer.

“(4) That the attempted reservation of a title to the machinery, etc., was not a reversion of title until the purchase price was paid, but an attempted reversion to secure the entire amount of the building contract.”

“(6) All said machinery, apparatus, etc., has become and is now a part of the realty upon which the mill was built.”

It is true, as contended by the petitioners, that the parties were at liberty to make any agreement they chose. They agreed between themselves that the first payments under the contract be applied for the construction of the mill and the last payments upon the machinery. This contract was sufficient for the ends sought by the petitioner, as between the parties, but the power of the contract to bind third parties is lost. [38] Calling a building contract a conditional bill of sale does not make it so.

The object of the contract was to give the parties all the benefits of a chattel mortgage without compliance with the code provisions that would entitle them to such benefits.

It is not observable that the Uniform Sales Law has destroyed or supplanted the functions of a chattel mortgage.

“The provisions of this act relating to contracts to sell and to sales do not apply unless so stated to any transaction in the form of a contract to sell or a sale which is intended to operate by way of mortgage, pledge, charge,

or other security.” Chap. 65, Part VI, Sec. 75, p. 245, Sess. Laws 1913.

There was no straight sale made to the bankrupt. Though there was notice given that there was an agreement to deliver there was no delivery; there was no stated consideration, no definite description of the articles that were to be delivered and nothing to show that the articles to be delivered were in existence at the making of the contract. There was nothing tangible to be sold and the contention of the respondent, citing *Thompkins vs. Monticello Cotton Oil Co.*, 137 Fed. 625, that petitioner is merely the holder of an equitable mortgage and that the claimed conditional sale was in fact a building contract, is convincing.

As the trustee stands in the bankrupt's shoes it is pertinent to inquire where the bankrupt stands. Had there been no bankruptcy, could not the creditors of the bankrupt have levied on the machinery? Was there fair notice, as provided by the code, to the bankrupt's creditors as the time of the bankruptcy? There was no notice of record that the machinery had been delivered, of what the bankrupt has or has not paid for it; nothing to show how the petitioners and the bankrupt stood in their debits and credits at the time of the bankruptcy though a year and ten months had elapsed since the making of the contract and there was no notice of the bankrupt's default. It is not reasonable to suppose all the code provisions intended to protect creditors in the matter of the retention of security on personal property may be avoided by an agree-

ment between the parties that they are going to fix title to things that have not materialized and that they may bar creditors forever without other or further notice. The attorney for the respondent seems right in saying that the petitioners are in the position of a chattel mortgagee who has not filed his mortgage. The bankruptcy has barred the petitioners [39] from any further right than that of general creditors.

It is not necessary to go into the question of whether chattels attached to and becoming realty may be detached and taken by the vendor who declares he reserves title, if there is no legal reservation of title. The petition shows that the equipment was attached to the mill and it is conceded that the mill was on piles driven into tide-land. So the bankrupt had title to the land—not as good a title as the freeholder—but a better title than anyone but the United States. It was the bankrupt's property and it is real estate and so is the equipment that is attached to the mill. The mill and attached machinery is real estate to such an extent that the petitioners could have taken a lien had they so desired.

Demurrer sustained and petition dismissed.

October 31, 1919.

H. B. LE FEVRE,

Referee in Bankruptcy, First Division of Alaska,
Box 613, Juneau, Alaska. [40]

In the District Court of the United States for the
District of Alaska, Division Number One, at
Juneau.

No. 31—IN BANKRUPTCY.

In the Matter of CRAIG LUMBER COMPANY,
a Corporation,

Bankrupt.

HILLS-CORBET COMPANY,

Petitioner.

E. L. COBB, Trustee,

Respondent.

Petition for Review.

To H. B. Le Fevre, Esq., Referee in Bankruptcy:

Your petitioner respectfully shows:

That your petitioner filed a petition claiming certain property consisting of machinery, etc., under and by virtue of a Conditional Sale Contract, which said property is at Craig, Alaska, and in the possession of E. L. Cobb, trustee for the Craig Lumber Company, bankrupt, and prayed that the said trustee in bankruptcy of the Craig Lumber Company, a corporation, bankrupt, be directed to deliver to your petitioner the said property described in the Conditional Sale Contract attached to said petition and made a part thereof.

That on the 18th day of August a demurrer was filed to said petition.

That on the 6th day of November, 1919, an order was granted and entered by the referee, a copy of

which order is hereto annexed.

That said order was and is erroneous in matter of law for the following reasons, viz:

1. The petition upon its face states a good cause of action against the Craig Lumber Company, the bankrupt and the demurrer should not have been sustained.

2. That the order sustaining said demurrer is based upon a certain decision of the referee which states the following:

“This contract was sufficient for the ends sought by the petitioner, as between the parties, but the power of the contract to bind third parties is lost.”

While, in fact, it clearly appears upon the face of the petition that the proceeding is brought against the Craig Lumber Company the party making [41] and entering into the Conditional Sale Contract and not against any third party or parties, and it nowhere appears in the petition that any third party has in any way become interested in the property.

3. That it does not appear in the petition that any innocent *bona fide* purchaser for value received has acquired any interest in the property sought to be recovered by the Hills-Corbet Company, the petitioner, and, therefore, the order of the referee is based upon an assumption of fact *dehors* the record.

4. That such order sustaining the demurrer violates the binding condition in the agreement, as between the parties to such agreement, reserving the

title to the property described in the specifications attached to and made a part of said petition, which said reservation reads as follows:

“The title to the apparatus and material herein agreed to be sold shall not pass from the company until all payments hereunder shall have been fully paid in cash. Upon default in any such payments the company may retake the property agreed to be sold.”

That it appears from the decision rendered in the above-entitled matter certain findings were made which in no way appear upon the face of the petition and can have no application in passing upon a demurrer to said petition. That the order is, therefore, evidently based upon a decision assuming, without proof, evidentiary facts and which could only be made upon a defense by answer and the introduction of evidence.

6. That the entire decision upon which the order of the referee is based and from which he draws his conclusions resulting in the sustaining of the demurrer to the petition is erroneous both in matter of law and fact; that the facts recited in the decision are completely *dehors* the record, and to such assumed facts the referee makes an erroneous application of the law.

7. That the order is entirely unsupported by, and contrary to, the law applicable to the case.

Wherefore, your petitioner, feeling aggrieved because of such order, prays that the same may be reviewed, as provided in the bankruptcy law of 1898 and General Order XXVII, and that this petition

for review, together with the original petition of the Hills-Corbet Company in this matter against the trustee, the demurrer to said petition, the decision and order of the referee, and other papers filed with the referee herein which are pertinent to this review be certified to the Hon. Robt. W. Jennings, Judge of the District [42] Court, Div. No. 1, at Juneau, Alaska.

(Signed) HILLS-CORBET COMPANY,
Petitioner.

By GATES & HELSELL and
NEWARK L. BURTON,
Their Attorneys.

United States of America,
Territory of Alaska,—ss.

I, Newark L. Burton, being first duly sworn, on my oath depose and say: That I am one of the attorneys for the petitioner mentioned and described in the foregoing petition; that the petitioner is a copartnership consisting of F. R. Hills and W. W. Corbet; that both of said parties composing said partnership reside without the Territory of Alaska; that the facts set forth in said petition are within my knowledge, information and belief.

(Signed) NEWARK L. BURTON.

Subscribed and sworn to before me this 10th day of November, 1919.

(Signed) H. H. FOLSOM,
Notary Public for Alaska.

My Commission expires Mar. 15, 1921.

[Endorsed]: Service of the within petition for review is hereby admitted this 10th day of November, A. D. 1919.

(Signed) J. H. COBB,
Attorney for Trustee.

Filed November 10, 1919. H. B. Le Fevre,
Referee in Bankruptcy, First Division of Alaska,
Box 613, Juneau, Alaska. [43]

In the District Court of the United States for the
District of Alaska, Division No. One, at Juneau.

No. 31—IN BANKRUPTCY.

In the Matter of CRAIG LUMBER COMPANY,
a Corporation,

Bankrupt.

HILLS-CORBET COMPANY,

Petitioner,

vs.

E. L. COBB, Trustee,

Respondent.

Opinion on Referee's Decision.

The question as to whether an instrument purporting to be a conditional bill of sale is in reality a mortgage does not always depend entirely upon the express terms of the instrument, and it may be that the instrument in question in this case is in reality a mortgage, but this Court has nothing before it except the instrument itself and there does not appear therein anything which militates against

the idea, plainly expressed therein, that the title to the specific chattels shall not pass until the stipulations of the contract are complied with. Counsel for the trustee affects to find something in the stipulation that the books of Hills-Corbet Co. should be open to the inspection of the Lumber Co., but in view of the fact that the purchase price to the Lumber Co. is to be the cost price to the Hills-Corbet Co. plus the latter's commission, it was simply a matter of good business that the Lumber Co. should have a means to assure itself of the actual cost of the Hill-Corbet Company. How else could they be assured?

In *Forsman v. Marr*, 35 So. 372, the only question before the Court was whether or not a certain agreement should be annulled for fraud, and the Court decided there was not sufficient proof of fraud.

The decision in 137 Fed. 625, is easily distinguishable. There the Court said:

“Here, as stated, the title is apparently reserved. This is done [44] however, not for the purpose of giving the complainant absolute control over the machinery and equipment in case default in payment shall be made, but merely to secure the amount of its claim. It is true that complainant, on such default, is entitled to take possession of the machinery and other property named. There is, however, no independent and absolute right to hold or dispose of such property. On the contrary, the complainant is expressly obliged to sell it

at private or public sale after 30 days' advertising. It is also authorized to retain any balance that may be due on all notes, together with interest, traveling expenses, attorney's fees, and other fees connected with collection. This imports, of course, any balance which may remain after the proceeds of such sale are credited upon the notes. Even more significant is the stipulation that the complainant is obliged to 'pay us' (the defendants) any surplus. This is also characterizing of a mortgage rather than of a conditional sale. If, however, there is not enough of the proceeds of the machinery to pay the debt, by the same clause complainant is given the right to collect the deficiency from the defendants. All of these features are characteristic of a mortgage rather than conditional sale. We conclude, as between the parties to the contract itself, the rights of no third person having intervened, that this is nothing more or less than an equitable mortgage."

So also the case 136 U. S. 268:

"The notes upon their face show they were given for the purchase price of cars sold by the payee to the maker and they are 'secured' equally and ratably on the cars."

In 109 P. R. 328, there the question decided was not that the instrument was a mortgage instead of a conditional bill of sale. On the contrary, the Court held that even if it were a conditional bill of sale, it could not affect the status of certain fix-

tures which the innocent third person had the right to presume were a part of the realty.

So far as the machinery having become fixtures is concerned, I think this is a matter which cannot be determined by an inspection of pleadings—perhaps they are, perhaps not—it will take evidence to determine. [45]

The decision of the referee, sustaining the demurrer to the petition and dismissing the claim, is overruled.

(Signed) ROBERT W. JENNINGS,
District Judge.

Filed in the District Court, District of Alaska,
Dec. 16, 1919. J. W. Bell, Clerk. By _____,
Deputy. [46]

In the District Court for the Territory of Alaska,
Division No. 1, at Juneau, Alaska.

No. 31—IN BANKRUPTCY.

In the Matter of THE CRAIG LUMBER COM-
PANY, a Corporation,
Bankrupt.

**Answer of the Trustee to the Petition of the Hills-
Corbet Company to Reclaim.**

Now comes the trustee by his attorney and for answer to the petition of the Hills-Corbet Company alleges:

f.

The trustee has no knowledge of information concerning the matters set out in paragraph I of said

petition and he therefore denies the same.

II.

The trustee denies that on October 31st, 1917, or at any other time, the Hills-Corbet Company entered into a conditional sale contract with the Craig Lumber Company, a corporation, bankrupt.

III.

Referring to paragraph VI of said petition, the trustee denies that the Craig Lumber Company has failed to pay the petitioner the sum of \$12,980.36 due it in accordance with the terms of the contract referred to in said petition, or has failed to pay any sums due under said contract.

Referring to paragraph VIII of said petition, the trustee is unable to admit or deny for want of sufficient information, whether all the property referred to therein is in his possession or not and he therefore denies the same.

And for a further and affirmative defence, the trustee alleges as follows: That on or about the 31st day of October, 1917, the Craig Lumber Company, bankrupt, made and entered into a contract with the Hills-Corbet Company whereby the Hills-Corbet Company undertook to construct and equip for the Craig Lumber Company a sawmill at Craig, Alaska, according to certain plans and specifications attached to said contract. That a copy of said contract is attached to the petition herein. That by the terms of said contract, the Hills-Corbet Company was to advance all moneys [47] necessary to the performance of said work, including the purchase for the Craig Lumber Company of the ma-

chinery and equipment to be furnished by them in said contract and were to be reimbursed all such advances together with 15% thereon to cover the operating expenses, and were to receive for said advances and services a commission of 10%. It was further agreed that the total cost of said mill complete should not exceed \$32,125.00. That under and pursuant to the terms of said contract the said Hills-Corbett Company did purchase for the Craig Lumber Company and as its broker or agent, the machinery and equipment referred to in the petition, advancing by way of a loan to the Craig Lumber Company the requisite moneys to cover the same, and did construct the buildings mentioned and with said machinery *equip.* the same and delivered possession thereof to the Craig Lumber Company which then became and has ever since remained the owner thereof.

The trustee further alleges that the Craig Lumber Company has fully paid the Hills-Corbett Company all moneys due them including commissions earned under the said contract referred to in the petition.

And for a second affirmative defence, the trustee alleges:

That it was understood and contemplated by the Hills-Corbett Company at the time the contract mentioned in the petition was made that the machinery and equipment therein mentioned should be attached to and become a part of the Mill building and real estate of the Craig Lumber Company. That in truth and in fact it was so attached and became a

part of said realty, and is now a part thereof. That the Bank of Alaska, a creditor of the bankrupt, has a valid mortgage upon said realty to secure a valid debt for the sum of about \$50,000.00; that it took said mortgage without any notice of the alleged claim of the Hills-Corbett Company and is an innocent purchaser for the value of said property.

WHEREFORE, the trustee prays said petition be dismissed with costs.

(Signed) J. H. COBB,
Attorney for Trustee. [48]

United States of America,
Territory of Alaska,—ss.

E. L. Cobb, being first duly sworn, on oath deposes and says: I am the trustee above named. I have read the above and foregoing answer and the same is true to the best of my knowledge and belief.

(Signed) E. L. COBB.

Subscribed and sworn to before me this 18th day of December, 1919.

[Notarial Seal] J. H. COBB,
Notary Public in and for Alaska.

My commission expires June 8, 1923.

Service of above and foregoing answer admitted this the 18th day of December, 1919.

N. L. BURTON.

Filed December 19, 1919. H. B. Le Fevre, Referee in Bankruptcy, First Division of Alaska, Box 613, Juneau, Alaska. [49]

In the District Court for the Territory of Alaska,
Division No. 1, at Juneau, Alaska.

No. 31—IN BANKRUPTCY.

In the Matter of THE CRAIG LUMBER COM-
PANY, a Corporation,

Bankrupt.

**Reply of the Hills-Corbet Company to Answer of
the Trustee.**

Comes now Hills-Corbet Company and by way of
reply to the affirmative matter alleged in the answer
of the trustee in the above-entitled action says:

I.

The petitioner, Hills-Corbet Company, denies all
of the allegations contained in the first affirmative
defense of said trustee, except that petitioner admits
the execution of the contract referred to in said
affirmative defense and in the petition herein. The
petitioner specifically denies that the Craig Lumber
Company ever became the owner of the machinery
and equipment referred to in said contract, and
specifically denies that said Hills-Corbet Company
has received all moneys due them under said con-
tract.

II.

And your petitioner for reply to the second
affirmative defense contained in the answer of the
trustee says: That it denies all of the allegations con-
tained in said second affirmative defense.

WHEREFORE, petitioner prays for the judgment requested in the petition filed herein.

(Signed) GATES & HELSELL,
N. L. BURTON,

Attorneys for Petitioner. [50]

State of Washington,
County of King,—ss.

W. W. Corbet, being first duly sworn, upon oath deposes and says: That he is one of the petitioners in the above-entitled action; that he has read the foregoing reply, knows the contents thereof, and that the same is true as he verily believes.

(Signed) W. W. CORBET.

Subscribed and sworn to before me this 26th day of December, 1919.

[Notarial Seal] FRANK P. HELSELL,
Notary Public in and for the State of Washington,
Residing at Seattle.

Service of a copy of the foregoing reply is admitted this 2d day of January, 1920.

(Signed) J. H. COBB,
Attorney for Trustee.

Filed January 3, 1920. H. B. Le Fevre, Referee in Bankruptcy, First Division of Alaska, Box 613, Juneau, Alaska. [51]

In the District Court for the Territory of Alaska,
Division No. 1, at Juneau, Alaska.

In the Matter of THE CRAIG LUMBER COM-
PANY, a Corporation,

Bankrupt.

Stipulation in re Hearing.

This agreement and stipulation made this 19th day of January, 1920, by and between Hills-Corbet Company of Seattle, Washington, hereinafter called the company, Bank of Alaska, a corporation organized and existing under and by virtue of the laws of the Territory of Alaska, hereinafter called the Bank and E. L. Cobb, trustee in bankruptcy in the matter of Craig Lumber Company bankrupt hereinafter called the trustee, Witnesseth that—

Whereas, the company has filed before H. B. Le Fevre, referee in bankruptcy in the matter of Craig Lumber Company, bankrupt, a petition praying for the return to it of certain sawmill machinery and other property now in possession of the trustee; and

Whereas, the company claims to own said property under and by virtue of a contract attached to said petition upon the ground that payments under said contract have never been fully made; and

Whereas, the bank claims a lien on said machinery and property by virtue of a mortgage upon the real estate of the Craig Lumber Company which said bank claims to be prior to the rights of the Company; and

Whereas, the bank desires to foreclose said mort-

gage and make a sale of the real estate and the machinery and property now situated thereon as a whole prior to the decision of the referee or the District Court for the District of Alaska, Division No. 1, upon the controversy between the parties hereto:

Now, Therefore, it is agreed between the parties hereto as follows: [52]

1. That the bank shall sell the machinery and other property claimed by the company and shall account therefore as follows: The bank shall deliver to the company a bond in the penal sum of Twelve Thousand (\$12,000.00) Dollars executed by the bank as principal and the United States Fidelity and Guaranty Company, a corporation, of Baltimore, Maryland, as surety, conditioned that the bank shall pay to the company such sum of money as shall be found by the United States District Court for the Territory of Alaska, Division No. 1, or by a higher court in case of appeal or review, to be due the company under and by virtue of the contract relied on by said company in their petition, providing the final judgment of the United States District Court for the Territory of Alaska, or any other higher court upon appeal or review shall sustain the rights of the company as against the rights of the bank in and to the said machinery and property. Said bond shall contain a provision that judgment thereon may be rendered by said court or courts upon the determination of the controversy herein referred to.

2. The bank consents to be bound by the final judgment in the controversy over the said machinery and property whether the final judgment be ren-

dered by the District Court for the Territory of Alaska, Division No. 1, or by a higher court on appeal, and to that end hereby enters its appearance in this action for that purpose.

3. That the issues of law and fact raised by the petition of the company and the answer of the trustee be returned to the United States District Court for the Territory of Alaska, Division No. 1, for hearing and decision and to that end that the said District Court enter an order in this cause directing the return by the referee to the clerk of said court of all of the pleadings, papers, files and entries filed with or made by the referee in the controversy referred to for the determination of said issues in the first instance by the said District Court.

4. That this stipulation and agreement shall not be binding or effective for any purpose until the bond referred to in paragraph one shall be executed and approved by Newark L. Burton or Frank P. Helsell, attorneys for the company and until the said District Court enters an order [53] approving this stipulation and an order as mentioned in paragraph 3 hereof.

HILLS-CORBET COMPANY.

(Signed) By FRANK P. HELSELL,

“ NEWARK L. BURTON,

Its Attys.

BANK OF ALASKA,

(Signed) By JOHN B. MARSHALL,

(Signed) J. H. COBB,

Atty. for Trustee in Bankruptcy.

Approved this 19th day of January, 1920.

(Signed) H. B. LE FEVRE,
Referee in Bankruptcy, First Division of Alaska,
Box 613, Juneau, Alaska.

Approved this March 16, 1920.

(Signed) ROBERT W. JENNINGS,
Judge.

Filed in the District Court, District of Alaska,
First Division. Jan. 20, 1920. J. W. Bell, Clerk.
By _____, Deputy. [54]

In the U. S. District Court, for the Territory of
Alaska, Division No. 1, at Juneau, Alaska.

In the Matter of THE CRAIG LUMBER COM-
PANY, a Corporation,
Bankrupt.

Order in re Hearing.

Upon stipulation of all of the parties interested, it is hereby ordered that the controversy now pending in the above-entitled cause before Hon. H. B. Le Fevre, referee in bankruptcy, wherein Hills-Corbet Company is petitioner and the trustee in bankruptcy and Bank of Alaska are respondents, be and the same is transferred to this court for hearing in the first instance; that the said referee will deliver to the clerk of this court all the pleadings, files and papers and all entries made in said controversy and will take no further steps therein.

Done in open court this 20th day of January, 1920.

(Signed) ROBERT W. JENNINGS.

O. K.—COBB.

Filed in the District Court, District of Alaska,
First Division. Jan. 20, 1920. J. W. Bell, Clerk.
By _____, Deputy. [55]

In the United States District Court, Territory of
Alaska, Division No. 1, at Juneau, Alaska.

In the Matter of THE CRAIG LUMBER COM-
PANY, a Corporation,

Bankrupt.

Bond of Bank of Alaska.

KNOW ALL MEN BY THESE PRESENTS,
That we, Bank of Alaska, a corporation organized
and existing under and by virtue of the laws of the
Territory of Alaska, as principal, and United States
Fidelity and Guaranty Company, a corporation or-
ganized and existing under and by virtue of the laws
of the State of Maryland, as surety, are jointly and
severally held and firmly bound unto Fred R. Hills
and W. W. Corbet, copartners under the firm name
of Hills-Corbet Company, in the sum of Twelve
Thousand (\$12,000.00) Dollars, for the payment of
which we bind ourselves, our successors and assigns,
jointly and severally, firmly by these presents.

Dated at Juneau, Alaska, this 23d day of January,
1920.

The condition of this obligation is such that
whereas there is now pending before the referee in

bankruptcy, H. B. Le Fevre, in a cause entitled "In the Matter of Craig Lumber Company, Bankrupt," a petition by Hills-Corbet Company that the trustee in bankruptcy of Craig Lumber Company surrender to said Hills-Corbet Company certain sawmill machinery and other property, and whereas the Hills-Corbet Company claims the title to said sawmill machinery, and other property upon the ground that said property was delivered to the Craig Lumber Company under a Conditional Sale Agreement and has never been paid for as provided for in said Agreement; and

Whereas, all parties agree that said sawmill machinery and other property should be sold to avoid depreciation and have agreed that the Bank of Alaska may sell said property upon giving this bond—

Now, Therefore, if the Bank of Alaska shall pay to Fred R. Hills and W. W. Corbet, copartners under the firm name of Hills-Corbet Company, the sum of money which the U. S. District Court, etc., *Court* or any higher [56] court on appeal or review shall find to be due to Hills-Corbet Company under and by virtue of said Agreement between Hills-Corbet Company and Craig Lumber Company, then this obligation shall be void; otherwise to remain in full force and effect.

This bond shall be of no force and effect unless the United States District Court for the Territory of Alaska, Division No. 1, or an appellate court upon appeal or review shall sustain the petition of the Hills-Corbet Company as against the claims of

the Bank of Alaska or the trustee in bankruptcy.

In case the United States District Court for the Territory of Alaska, Division No. 1, or an appellate court on appeal or review, shall sustain the rights of Hills-Corbet Company, judgment may be entered by said court or courts directly against the bond and the parties thereto for the amount found due Hills-Corbet Company as set forth above.

BANK OF ALASKA,
By E. A. RASMUSON,

President,

[Seal—Bank of Alaska]

Principal.

UNITED STATES FIDELITY & GUAR-
ANTY COMPANY,

[Seal]

By R. E. ROBERTSON,

Attorney-in-fact,

Surety.

Filed in the District Court, District of Alaska.
Jan. 24, 1920. J. W. Bell, Clerk. By _____,
Deputy. [57]

In the District Court for the District of Alaska,
Division No. One, at Juneau.

In the Matter of the CRAIG LUMBER COM-
PANY,

Bankrupt.

HILLS-CORBET COMPANY,

Petitioner,

vs.

E. L. COBB, Trustee, and BANK OF ALASKA,
Respondents.

Findings of Fact and Conclusions of Law.

This cause came on for trial upon stipulation between all the parties hereto and was tried before the above-entitled court, without a jury, on the 17th day of March, A. D. 1920, upon the complaint, answer and reply filed in the above-entitled court in the above-entitled cause. The plaintiff was represented by their attorneys, Frank P. Helsell and Newark L. Burton, and the defendant E. L. Cobb, trustee for the Craig Lumber Company, bankrupt, was represented by John F. Cobb, his attorney; and the Bank of Alaska, claiming to be the owner of the property in dispute, was represented by John B. Marshall, its attorney. After hearing all the evidence submitted in the above-entitled cause, and the arguments of counsel, and the Court being now fully advised in the premises, makes, signs and files the following Findings of Fact and Conclusions of Law, viz.:

FINDINGS OF FACT.**I.**

That the Hills-Corbet Company was at all times mentioned in the complaint and at the time of filing the same in the above-entitled court in the above-entitled cause a copartnership consisting of F. R. Hills and W. W. Corbet. [58]

II.

That on October 31st, 1917, the said Hills-Corbet Company entered into a contract with the Craig Lumber Company, a corporation, bankrupt, whereby they agreed to furnish all machinery, belts, saws, pipe and pipe fittings, blow-pipe and fittings and

iron necessary to equip the Craig Lumber Company's sawmill at Craig, Alaska, in accordance with specifications and particulars attached to and made a part of said contract; and further agreed to build the buildings above pile foundations, install machinery, put on belting, install piping, etc.

III.

That said contract provided that the cost of the mill complete as per specifications and drawings "will not exceed the estimate of \$32,125."

IV.

That said contract of sale contains the following clause, viz.: "The title to the apparatus and material herein agreed to be sold shall not pass from the company until all payments hereunder shall have been fully paid in cash. Upon default in any such payments the company may retake the property agreed to be sold. In such event the money heretofore paid by the purchaser (Craig Lumber Company) to the company (Hills-Corbet Company) shall be presumed to be the amount of damages sustained by the breach of this agreement and shall be retained by the company as liquidated damages for the breach."

V.

That said contract of sale further provides: That the Craig Lumber Company shall pay to Hills-Corbet Co. the actual cost of all labor, machinery, equipment and building material used in connection with the work (lumber and piles excluded) the cost of insurance and all costs except freight and transportation charges of material and men from Seattle, Wash., to Craig, Alaska, plus ten per cent; that the cost of ma-

chinery, material and equipment was to be the cost F. O. B. ship's tackle, Seattle, Wash., plus fifteen per cent to cover the operating expenses of the company; that "the purchaser (Craig Lumber Co.) will pay the Company (Hills-Corbet Co.) fifty per cent of the cost of the machinery, material and equipment upon [59] presentation of invoices with shipping papers; twenty-five (25%) per cent in forty days from due date of first payment and balance in thirty days from completion of contract."

VI.

That the Court finds from the evidence that all the machinery, material, etc., agreed to be furnished under the contract of sale aforesaid were delivered to said Craig Lumber Co. at Craig, Alaska, and the mill fully completed and the contract aforesaid fully complied with, on or about May 1st, 1918.

VII.

That the petition filed in this case asks that the trustee in bankruptcy of the Craig Lumber Company be directed to deliver to the Hills-Corbet Company the property described in said contract of sale, because of the failure of said Craig Lumber Company to pay the petitioner, the Hills-Corbet Co., the sum of \$12,-980.36 due it in accordance with the terms of said contract.

VIII.

That before the trial of this case the trustee in bankruptcy of the Craig Lumber Company, and the Bank of Alaska, entered into a stipulation with the Hills-Corbet Company, which said stipulation is filed in this cause, under which stipulation the said bank

took possession of the property at Craig, Alaska, described in said contract; and stipulated and agreed with the Hills-Corbet Company that if the Court should find that said contract was a conditional sale contract, it should also make a further finding as to the amount due the Hills-Corbet Company under said contract for which, if any amount so found due to the Hills-Corbet Company, the said bank gave a written undertaking, to pay, which is on file in this Court in the foregoing entitled cause.

IX.

That the sawmill is constructed on piles on the tideland, within a forest reservation, to which no one had any title except the Government of the United States; that all the machinery, etc., were so attached to the buildings by bolts and screws as to be easily moved from the said mill without damaging the building in any way whatsoever. [60]

X.

That the Bank of Alaska, one of the parties to this action, claims to own the machinery, etc., covered by the contract of sale between the Hills-Corbet Co., petitioner, and the Craig Lumber Company, debtor, by virtue of a mortgage executed and given by said Craig Lumber Co. to the said bank prior to the furnishing of said machinery, etc., to said Craig Lumber Company. That it appears from the uncontradicted evidence that the said Bank of Alaska, at the date of the execution of said mortgage, had knowledge of the conditional sale contract, and knew that the machinery was not paid for and that said contract provided that title should not pass until full

payment of the purchase price had been made.

XI.

That the machinery covered by said contract of sale never passed under the "after-acquired" clause in the mortgage of the Bank of Alaska, one of the parties to this action, for the reason that the mortgagor never did "acquire" such machinery, the title never having passed.

XII.

That the machinery, material, etc., furnished and delivered under said contract, including the work and labor performed thereunder and the 10% and 15% provided for in said contract as aforesaid, amount to the sum of \$32,539.74, but under the contract the mill was to be built and installed for \$32,125.00; therefore, the Court finds the latter sum, (\$32,125) as being the "invoices under contract and 10% on labor."

XIII.

The Court finds that in addition to the material, machinery, etc., furnished to the Craig Lumber Company under the aforesaid contract of sale, the petitioners also furnished and delivered to the said Craig Lumber Company other material, machinery, etc., for which the total invoice charge is the sum of \$6,054.59; that included within this \$6,054.59 is a charge of \$95.80, being 10% and 15% on invoices Nos. 296, 305 and 306, which said amount of \$95.80 should not be allowed; thus reducing said amount to \$5,958.79.

XIV.

That the total payments made is the sum of \$19,943.82; that in addition to said payment the Craig Lumber Company, debtor, is entitled to a credit of

[61] \$8,312.58 which it paid out for labor for the Hills-Corbet Company under the contract, leaving a total balance of \$9,827.39 due to the Hills-Corbet Company.

XV.

That the Craig Lumber Company, debtor, itself specifically directed the application of certain payments to be applied on extras; that the sum of \$7,000.00, total payments made on March 18, July 19 and December 8th, 1918, was not specifically applied by the Craig Lumber Company, debtor.

XVI.

That the evidence to the effect that the Craig Lumber Company, debtor, agreed to board the men employed by the Hills-Corbet Company in the doing and performing of said work is absolutely undisputed, and the Court finds that the Craig Lumber Company did agree to board said men, assuming the indebtedness therefor.

XVII.

That the total amount due to Hills-Corbet Company under the contract, after making the application of the payments to the extras and to the contract as in these findings set forth, is the sum of \$9,827.39, together with interest at the rate of 8% from July 1st, 1918, said date being more than 30 days after the completion of the contract. [62]

From the foregoing Findings of Fact the Court concludes:

CONCLUSIONS OF LAW.

I.

That the contract of sale attached to and made a

part of the complaint filed in this case is a conditional sale contract, and the property covered thereby and described in the specifications attached thereto and made a part of said contract remain the property of the Hills-Corbet Company until the full purchase price is fully paid and the title to said property was not to pass until the same was fully paid for.

II.

That the machinery is so attached by bolts and screws as to be easily moved without damaging the building, and, therefore, the conditional sale contract whereby the Hills-Corbet Company retain title to said machinery is in no way affected thereby.

III.

That the claim of the Bank of Alaska, one of the parties to this action, to the machinery covered by the said conditional sale contract is without force or effect; that the machinery did not pass under the "after-acquired" clause of the mortgage, under which the said bank claims said machinery, for the reason that the mortgagor never did acquire such machinery, the title never having passed, and the title to the said machinery remained in the Hills-Corbet Co., under and by virtue of the aforesaid conditional sale contract.

IV.

That the application of payments other than those specifically applied should be and are first applied by the Court upon the unsecured indebtedness of the debtor to the Hills-Corbet Company, and the balance upon the conditional sale contract.

V.

That the Court finds that the Hills-Corbet Company is entitled to a judgment against the Bank of Alaska and the U. S. Fidelity & Guaranty Company in the sum of \$9,827.39, together with interest thereon at the rate of 8% per annum from July 1, 1918. [63]

Done in open court this 16th day of June, A. D. 1920.

(Signed) ROBERT W. JENNINGS,
Judge.

Received a copy of foregoing Findings of Fact and Conclusions of Law this 8th day of June, A. D. 1920.

(Signed) J. H. COBB,
Attorney for Trustee.

Filed in the District Court, District of Alaska. Jun. 15, 1920. J. W. Bell, Clerk. By _____, Deputy. [64]

In the District Court for the District of Alaska,
Division No. One, at Juneau.

No. 1964—A.

In the Matter of the CRAIG LUMBER COMPANY,

Bankrupt.

HILLS-CORBET COMPANY,

Petitioner,

vs.

E. L. COBB, Trustee, and BANK OF ALASKA,
Respondents.

Judgment.

WHEREAS, the above-named Hills-Corbet Company did heretofore file with the referee in bankruptcy in the above-entitled cause its complaint and petition, claiming the ownership in itself of certain property then in the hands of the trustee in bankruptcy, which said complaint and petition was demurred to by said trustee as not stating facts sufficient; and,

WHEREAS, said demurrer was by the referee sustained, and said Hills-Corbet Company appealed to this Court, which, on consideration, reversed said decision of the referee; and,

WHEREAS, an answer to said complaint and petition, and a reply thereto were duly filed, and a stipulation concerning the deposition of the matters involved was duly entered into by the said Hills-Corbet Company, the trustee in bankruptcy, and the Bank of Alaska, a corporation, which said stipulation was approved by the referee on the 19th day of January, 1920, and by this court on the 16th day of March, 1920, and filed herein on the 20th day of January, 1920; and,

WHEREAS, the cause came on for trial in this court on March 17, 1920, on said pleadings and stipulation, all the parties to the action, and the Bank of Alaska, being present by respective counsel, a jury having been expressly waived by statement made in open court and evidence and argument duly heard, and the Court having taken the matter under advisement and [65] having, on, to wit, June 15, 1920,

made and filed herein its findings of fact and conclusions of law wherein all the material allegations of the petition are sustained and the amount due under the conditional sale contract set forth in said stipulation was determined; and,

WHEREAS, all the parties to said above-entitled cause, including said Bank of Alaska, stipulated herein that if this Court should decree that the contract sued upon was a conditional sale contract it should render judgment against the Bank of Alaska for the amount found to be due (for the securing of which amount the said Bank of Alaska executed and filed its undertaking in this cause), and the Court being now fully advised in the premises and said Hills-Corbet Company now moving for judgment in accordance with the said findings and stipulation,—

IT IS HEREBY ORDERED, ADJUDGED and DECREED that the contract sued on in the above-entitled cause is a conditional sale contract, and that by reason of failure to make payment of the full purchase price as provided in said contract the title to the property described in said contract and specifications attached thereto and made a part thereof did not pass, and that neither the Craig Lumber Company nor E. L. Cobb, trustee, ever acquired any title to said property, but the title remained in the Hills-Corbet Company, the petitioner.

IT IS FURTHER ORDERED, ADJUDGED and DECREED that Fred R. Hills and W. W. Corbet, doing business under the firm name and style of Hills-Corbet Company, do have and recover of and from the Bank of Alaska, a corporation organized

and existing under and by virtue of the laws of the Territory of Alaska, the sum of \$9,827.39 and interest at the rate of 8 per cent per annum from July 1st, 1918, besides the costs and disbursements herein taxed by the clerk.

Done in open court this 31st day of July, A. D. 1920.

(Signed) ROBERT W. JENNINGS,
Judge.

Filed in the District Court, District of Alaska. Jul. 30. 1920. J. W. Bell, Clerk. By _____, Deputy.

Entered Court Journal No. P, pages 440, 441.
[66]

In the Matter of CRAIG LUMBER COMPANY,
Bankrupt.
HILLS-CORBET COMPANY.

vs.

E. L. COBB, Trustee.

Opinion.

There is little or no dispute that the machinery mentioned in the contract and claimed to have been delivered by the Hills-Corbet Company under said contract, as shown by the bill of particulars and amendment thereof, were delivered, nor that the other obligations charged in said bill of particulars and amendment thereto are proper charges against the said Craig Lumber Company.

The items under the contract amount to \$31,708.49,

but I think the amount charged for extras, to wit, \$6,054.59, should be reduced to \$5,978.79. (I arrive at this figure by allowing the claim made by Tromble in his letter of February 25, 1918 (Exhibit "H"), to the effect that the Hills-Corbet Company should not charge the 10 and the 15 per cent on invoices 296, 305 and 306. It would appear that Tromble by his said letter protested against those charges and enclosed his check for \$361.45, which was the amount owing on said invoices if the said 10 and 15 per cent were disallowed. To said letter no reply seems to have been made, and I take the silence of the Hills-Corbet Company to be acquiescence in the claim made by Tromble in said letter.)

As to the \$831.25, being 10 per cent on the amount expended by the Craig Lumber Company for labor at the instance of the Hills-Corbet Company; I think that Hills-Corbet Company is entitled to charge that 10 per cent, on account of the fact that the contract itself says that they shall be entitled to 10 per cent on the labor. The Hills-Corbet Company did not do the work, it is true, but the Craig Lumber Company did it for them, and the situation would be the same as if some one else had done it for them as their agent it would not make any difference who did the work, for the stipulation in the contract for the 10 per cent on labor is not so conditioned. The Craig Lumber Company, having done the work, are, of course, entitled to be credited with the amount that they expended for the work. [67]

So far as the item of board is concerned: I find that the testimony of Mr. Corbet to the effect that

Tromble agreed that the Craig Lumber Company would board the men, assuming indebtedness therefor, is absolutely undisputed. Mr. Humfrey, the bookkeeper for the Craig Lumber Company testified that he made the entries against the Hills-Corbet Company on this item without any knowledge that the same was a proper charge. Humfrey came into service of the company after the board was furnished, and he knew nothing of the circumstances.

BALANCE DUE FROM CRAIG LUMBER COMPANY TO HILLS-CORBET COMPANY.

The invoices under the contract amount to \$31,708.-49, and the 10 per cent on labor amounted to \$831.25; the invoices for extras amounted to \$5,958.79, and the sum of these amounts is \$38,498.53; but under the contract the mill was to be built and installed for \$32,125, therefore we are obliged to take the latter sum (\$32,125) as being the "invoices under the contract and 10 per cent on labor." Now, this sum of \$32,125 added to the \$5,958.79 for extras, amounts to \$38,083.79. As against this sum the following payments have been made:

December 8, 1917.....	\$ 4,020.44
December 17, 1917.....	3,812.23
January 24, 1918, Credit memo.	11.56
February 1, 1918.....	4,461.63
February 20, 1918.....	276.51
March 5, 1918.....	361.45
March 18, 1918.....	5,000.00
July 19, 1918.....	1,000.00
December 8, 1918.....	1,000.00

Making a total of.....\$19,943.82

In addition to this sum the Craig Lumber Company is entitled to credit for \$8,312.58, which it paid out for labor for the Hills-Corbet Company under the contract, making a total sum to which the Craig Lumber Company is entitled to credit of \$28,256.40. Deducting this sum (\$28,256.40) from the larger sum (\$38,083.79) would leave due to Hills-Corbet Company \$9,827.39.

The question now is whether or not any part of this \$9,827.39 due is on account of the liability incurred under the contract. The answer to that is this:

The liability under the contract and the liability for the extras constitute the *entire* liability incurred by the Craig Lumber Company, [68] the liability for extras being only \$5,958.79 and the total amount being due \$9,827.39, at least the difference between these two sums must perforce be due under the contract. By the terms of the contract the title to the machinery mentioned therein was not to pass until the payments under the contract had been made. I have no difficulty in construing such an agreement to be a conditional bill of sale. It is true that in one sense of the word it is security for the performance of a contract, but after all, that is the impelling motive for all conditional bills of sale. As, therefore, the machinery has not been paid for and the title was not to pass until it was paid for, I think the Hills-Corbet Company are entitled to possession of the machinery.

The next question is whether or not the machinery was so attached to the realty as to become

a permanent part thereof, that is to say, a fixture, and whether or not the mortgage to the bank creates such a lien upon the property as to supersede the force and effect of the conditional bill of sale.

And, first, considering the fact that the sawmill itself is constructed on piles on the tide-land, within a forest reservation, and to which no one had any title except the Government of the United States, I think it is a matter of grave doubt whether there is any realty to be considered at all; but pretermittting that question, I can see nothing in the evidence at all militating against the idea that the machinery could be easily moved from the said mill without damaging the building in any way whatsoever,—it appears to have been attached by bolts and screws which could easily be unfastened. The Court says in *Holt v. Hanley*, 232 U. S. 367, in a case somewhat similar to the case at bar:

“The system was attached to the freehold but it could be removed without any serious harm for which complaint could be made other than the loss of the system itself. * * * To hold the mere fact of annexing the system of the freehold over-rode the agreement that it should remain personalty but still belong to Holt, would be to give a mystic importance to attachment by bolts and screws.”

(See, also, *Detroit Steel Cooperage Co. v. Sisterville Brewing Co.*, 233 U. S. 712.)

Second, the machinery did not pass under the “after-acquired” clause of the mortgage for the reason that the mortgagor never did “acquire”

such machinery, the title never having passed.

Let formal findings be prepared in accordance herewith. [69]

ROBERT W. JENNINGS,

Judge.

Filed in the District Court, District of Alaska, First Division. Apr. 17, 1920. J. W. Bell, Clerk. By _____, Deputy. [70]

In the District Court for the District of Alaska, Division No. One, at Ketchikan.

In the Matter of the CRAIG LUMBER COMPANY,

Bankrupt.

HILLS-CORBET COMPANY,

Petitioner,

vs.

E. L. COBB, Trustee, and BANK OF WRANGELL,

Respondents.

Supplemental Opinion.

Since the 17th day of April, 1920, when the Court rendered an opinion in this case on the main question as to whether or not the invoices covered by the conditional bill of sale had been fully paid for, the attention of the Court has been brought to the fact that by the stipulation and bond filed herein the Court should make a finding as to how much is due on the contract as distinguished from the amount

due on extras, and from a consideration of the evidence the Court reaches the following conclusion:

The payments made were as follows:

	On Contract.	On Extras.
Payments applied by debtor, as shown by Plaintiff's Exhibit "E"	\$ 3334.87	477.36*
*(Being for fares of men from Seattle.)		
Payments applied by the debtor, as shown by Plaintiff's Exhibit "G"	210.16	66.35
Payments applied by the debtor, as shown by Plaintiff's Exhibit "H"	35.99	421.26**
**(This amount is arrived at by virtue of the fact that the Court has disallowed the claim of Hills-Corbet Company for 10 per cent and 15 per cent on vouchers Nos. 296, 305 and 306, as stated in main opinion.)		
Making the total payments applied by the debtor	\$3581.02	\$964.97
Forward	\$ 3581.02	\$ 964.97
Payments applied on contract as per testimony of Mr. Corbet	4020.44	
(Credit memorandum) ..	4461.63	
	11.56	
Making a total payment of.....	12074.65	964.97
In addition to the above, the amount paid out by the Craig Lumber Company for Labor must be apportioned. To take the apportionment made by Mr. Cloudy, as shown in Exhibit "O." His testimony seems reasonable to me, and there is nothing in the evidence to contradict it. The total amount of labor was \$8312.58, apportioned by said exhibit "O"		
	5214.34	3098.24
Making a total payment of.....	17288.99	4063.21

[71]

	On Contract.	On Extras.
The contract price was	\$32,125.00	
The total for extras was (including the \$95.80 for which credit has already been given the Craig Lumber Company		\$6054.59
Deducting the payments made, as shown above.	17,288.99	4063.21
Leaves a remainder due of	\$14,836.01	\$ 1991.38

There is \$7000 which the debtor did not specifically apply, being payments made on March 18, July 19, and December 8, 1918, for \$5000, \$1000 and \$1000 respectively.

In the absence of any application by the debtor, I think the payments should be applied, first, to the balance due extras because that amount is unsecured; and after deducting from the said \$7000 the amount thus apportioned to the extras, the remainder should be applied in reduction of the sum due on the contract.

Now, the sum due on the extras was \$1991.38: Applying that amount leaves \$5008.62 to be applied in reduction of the sum due on the contract, which, as we have seen, is \$14,836.01. Making the application aforesaid, the remainder due on the contract is found to be \$9827.39.

Let the above be incorporated in the findings.

ROBERT W. JENNINGS,

Judge.

Filed in the District Court, District of Alaska,
First Division. Apr. 25, 1920. J. W. Bell, Clerk.
By _____, Deputy. [72]

In the District Court for the District of Alaska,
 Division No. One, at Juneau.

No. 1964-A.

In the Matter of the CRAIG LUMBER COM-
 PANY, a Corporation,

Bankrupt.

HILLS-CORBET COMPANY,

Petitioner,

vs.

E. L. COBB,

Trustee.

Bill of Exceptions.

BE IT REMEMBERED that on the trial of the
 above matter the following proceedings were had,
 to wit:

Filed in the District Court, District of Alaska,
 First Division. Jul. 20, 1920. J. W. Bell, Clerk.
 By —————, Deputy. [73]

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Testimony of W. W. Corbet, for Petitioner.

W. W. CORBET, introduced as a witness on behalf of the petitioner, being first duly sworn to tell the truth, the whole truth and nothing but the truth, testified as follows:

Direct Examination.

(By Mr. HELSELL.)

Q. You are Mr. W. W. Corbet? A. Yes.

Q. Of Seattle. You and Mr. Fred R. Hills comprise the Hills-Corbet Company? A. Yes.

Q. It is a copartnership? A. Yes, sir.

Q. And that was true on October 31, 1917?

A. Yes.

Q. When this contract was signed? A. Yes.

Q. You and your company, the Hills-Corbet Company, entered into a contract with the Craig Lumber Company, did you not? A. Yes.

Q. I hand you this document and ask you what it is?

A. This is the agreement that we drew up and signed with the Craig Lumber Company.

Q. That was signed by you? A. Yes.

Q. For the Hills-Corbet Company? A. Yes.

Q. Signed by Mr. Tromble? A. Yes.

Q. For the Craig Lumber Company,—Tromble was at that time president of the Craig Lumber Company, was he? A. Yes.

Mr. COBB.—Don't lead your witness.

Q. Have you a copy of the blue-print of the plant referred to in this contract? A. Yes. [75—1]

(Testimony of W. W. Corbet.)

Q. Get it for me, please. (Witness hands paper to counsel.) That is the blue-print to which the contract refers, is it? A. Yes.

Mr. HELSELL.—We will offer the two together in evidence, if the Court please.

Mr. COBB.—Is this the original, of which you have a copy attached?

Mr. HELSELL.—Yes, that is the original.

Mr. COBB.—There is no objection to it except the same one that was made to the complaint, that this shows upon its face it is not a conditional sale.

The COURT.—It will be overruled.

(Whereupon said blue-print and contract was received in evidence and marked Plaintiff's Exhibit "A," which is identical with exhibits attached to the petition.)

Q. Pursuant to that contract, Mr. Corbet, did your company commence to ship machinery to Alaska? A. Yes.

Q. About the time of the contract?

A. Soon after that.

Q. Now, in your office there in Seattle you kept some record of the machinery you shipped and the cost of the same, did you not? A. Yes.

Q. What record did you keep?

A. Well, we had an order sheet on which we put down the machinery and kept that on file, and then any expenses incurred in connection with that particular machinery we entered on that file until it was complete for that machinery; then we made out an invoice for that machinery, including all the

(Testimony of W. W. Corbet.)

expenses, as it was delivered at the dock, and entered that then in our journal, sending the Craig Lumber Company the invoice.

Q. The original memorandum which you kept of the machinery and the cost to you was entered first on that order sheet? A. Yes.

Q. I show you a paper and ask you what that is?

A. This is the original order sheet on which we entered the cost [76—2] of the machinery to us; to that we added 15 per cent and the 10 per cent, which constituted the cost of the machinery to the Craig Lumber Company; then we made out to them an invoice, of which this is a carbon copy, sending them the original of this. This was the original filed.

The COURT.—What do you mean by this?

The WITNESS.—The white sheet is the original record of the cost of the machine to us; we were to charge them, you see, with the actual cost to us, plus 15 per cent, plus 10 per cent, which we added on to this; then we made out to them on our regular invoice forms an invoice that we sent to them, which was a copy of this.

The COURT.—That is the yellow sheet?

The WITNESS.—No, this is just the carbon copy of the original—they have the original of this.

Q. In other words, the yellow sheet is a carbon copy of your invoice for that particular machinery sent by you to the Craig Lumber Company?

A. Yes.

Q. And the white sheet is the order sheet, which

(Testimony of W. W. Corbet.)

is a part of the records of your office?

A. That is the original record of the cost.

Mr. HELSELL.—Now, I have attached one carbon copy of the invoice to the order sheet, which really one is just a duplicate of the other, and I am willing to introduce them just this way.

Q. (By Mr. HELSELL.) Do the amounts on this order sheet, No. 231, represent the actual cost to you? A. It does.

Q. And it was shipped to the Craig Lumber Company, Craig, Alaska? A. Yes.

Q. On or about the date of the invoice?

A. Yes.

Mr. HELSELL.—I offer it in evidence.

Mr. COBB.—No objection. [77—3]

(Whereupon said invoice was received in evidence and marked Plaintiff's Exhibit "B.")

Q. This Exhibit "B" is invoice No. 231, for one Berlin resaw. I hand you another paper and ask you what that is?

A. That is a copy of the invoice sent them—some passenger fares of some of the men—boat fares.

Q. Passenger fares of whom?

A. Of some of the workmen that went to Craig from Seattle.

Q. Some of your crew that you sent up?

A. Yes.

Q. Give the stenographer the amount of it.

A. \$477.36.

Q. That was the actual cost to you? A. Yes.

Q. And on the back here are the checks with

(Testimony of W. W. Corbet.)

which they were paid, is that right? A. Yes.

The COURT.—There is not 10 per cent and 15 per cent on that?

Mr. HELSELL.—No, sir. That is something the company was supposed to pay, and which they did pay, in fact.

The COURT.—Is that covered by your contract?

Mr. HELSELL.—No; but we have to carry both the things that are out of the contract and those that are in it, because the payments were all made generally, and unless we carry all the debits we cannot show what the payments were for. The payments came in, and included these extras and the items on the contract, therefore we have to carry all of the debit items too.

Mr. COBB.—We object to this,—it isn't any machinery, and has no relation to any machinery that they say was furnished under this contract or conditional sale.

Mr. HELSELL.—The reason, if the Court please, why I have put this in and showed a debit to the Craig Lumber Company is that in one of their checks which we have included in our bill of particulars this was included in their payment, so in order to segregate [78—4] and find out what that check was in payment of, I have to put in what we debited them with.

The COURT.—Do you intend to segregate them before you get through?

Mr. HELSELL.—Yes, sir; I intend to show you before I get through how much was applied by the

(Testimony of W. W. Corbet.)

Company as extras and how much was applied on the contract.

The COURT.—The objection will be overruled on that statement.

Mr. COBB.—Note an exception to it, and let the exception apply to all of them,—I suppose there will be a great many more—without repeating it.

(Whereupon said invoice was received in evidence and marked Plaintiff's Exhibit "C.")

Mr. HELSELL.—I show you your order sheet No. 223, and ask you what that is?

A. This is an invoice,—you want me to tell you what it is for?

Q. You don't need to go into details—just read it.

A. For an Atlas engine and a Jewel engine, amount \$1,204.91.

Q. Does that represent the actual cost to you of that merchandise? A. Yes.

Q. That was shipped to the Craig Lumber Company on or about the date of the invoice?

A. Yes.

Mr. COBB.—This item, \$950.52, is that the cost of both engines?

Mr. HELSELL.—Yes, that includes the whole thing.

(Said invoice was received in evidence and marked Plaintiff's Exhibit "D.")

Q. I will just ask you to read those items to the stenographer, and then I will ask you if your testi-

(Testimony of W. W. Corbet.)

mony is the same in regard to that so as to hasten this matter.

A. Frost engine—this was invoice No. 227—one Frost engine, \$1,046.79.

Q. Your testimony in regard to that is the same?

A. Yes.

(Said invoice was received in evidence and marked Plaintiff's Exhibit "E.") [79—5]

Mr. HELSELL.—Can we expedite matters in some way?

Mr. COBB.—I was going to say, if I had an opportunity,—I gave you all my books, and if you had given me these we might expedite it very much.

Mr. HELSELL.—I would be very glad to have you look them all over.

(Whereupon a recess was had in order that counsel might examine vouchers.)

Mr. HELSELL.—If the Court please, at Mr. Cobb's request. I have segregated the invoices which we have marked extra and which we have marked on contract, and I think we can offer them in just two parcels. Is that all right with you?

Mr. COBB.—Yes, I think that will expedite matters a good deal. As I understand it, they are the originals from which you made up your bill of particulars?

Mr. HELSELL.—Yes.

The COURT.—Let the record show that the exhibits heretofore introduced are withdrawn and are attached to the bundle which is now being offered as one exhibit.

(Testimony of W. W. Corbet.)

Q. (By Mr. HELSELL.) Now, referring to the bundle of invoices and order sheets in your hand, they are invoices of the material shipped by the Hills-Corbet Company to the Craig Lumber Company and marked on our bill of particulars "on contract," are they not?

A. Yes, sir.

Q. They represent, you say, the cost to the Hills-Corbet Company of the particular item marked on the order sheet? A. Yes.

Q. And were shipped about the date of the invoice to the Craig Lumber Company, at Craig, Alaska.

A. Yes.

Mr. HELSELL.—I offer this whole bunch of order sheets in evidence as one exhibit.

The COURT.—What you heretofore said about the yellow sheet and the white sheet applies to this whole bunch?

The WITNESS.—Yes. [80—6]

(Whereupon said bunch of invoices was received in evidence and marked Plaintiff's Exhibit "B," and are identically as shown on bill of particulars as amended of goods marked "in contract.")

Q. That bundle which you now have in your hand represents the order sheets and the carbon copies of the invoices of all of the machinery and other goods that you shipped to the Craig Lumber Company and which is marked on your bill of particulars "extra"? A. Yes.

Q. Represents the actual cost to you? A. Yes.

Q. In some instances,—in most instances you

(Testimony of W. W. Corbet.)

charged your regular per cent on them, did you not?

A. Yes.

Q. And on the brick, the first one, on top, invoice No. 279, the brick and generator and other materials, you did not charge any percentage on them?

A. No.

Q. The prices on these represent the actual cost to you? A. Yes.

Q. And the property was shipped, as you stated, to Craig, Alaska? A. Yes.

Mr. HELSELL.—I offer these in evidence.

Mr. COBB.—I already have the objection in to these—they are what you term extras, not furnished under the contract?

Mr. HELSELL.—Yes.

Q. That represents what?

(Whereupon said invoices were received in evidence and marked Plaintiff's Exhibit "C," and are identically the same as shown on bill of particulars marked "extra.")

Q. Now, as to this order sheet No. 330, this is partly marked on contract and partly not, is it not, on your bill of particulars? A. Yes.

A. Our contract called for enough belt to run the mill. When we came to ship the belt they wanted enough extra to have on hand there—if anything went wrong they would have it there, and told us to ship up a quantity of belt sufficient not only to belt up the machinery, but to have extra on hand, so we sent [81—7] them this amount of belt. Part of it was used in the mill, which would be on the contract,

(Testimony of W. W. Corbet.)

and part of it was left there, as extra.

Q. As stock?

A. As stock, and we charged that up not on contract.

Q. This represents the actual cost to you of the belt? A. Yes.

Q. That was shipped by you to Alaska about the date of the invoice? A. Yes.

Q. It has attached to it, I believe, some memorandum made by Mr. Cloudy?

A. That was the amount of belt that was used on the machinery.

Mr. HELSELL.—I will take that off at this time. I now offer that in evidence.

(Whereupon said invoice was received in evidence and marked Plaintiff's Exhibit "D," and is identical with *with* invoice 330 on amended bill of particulars.)

Q. Now, coming to your first item of extras, brick, \$1,614.63, why have you marked that extra?

A. The first shipment of brick that was sent up there was put on the dock and the dock broke and fell through. Mr. Tromble then wired us at once—

Mr. COBB.—We object—if you have the wire it is the best evidence.

Mr. HELSELL.—Never mind what he wired.

The WITNESS.—We sent up a duplicate of that order.

Q. (By Mr. HELSELL.) Did you receive this letter through the mail? A. Yes.

Q. Do you know whether that is Mr. Tromble's writing? A. Yes.

(Testimony of W. W. Corbet.)

Mr. HELSELL.—I offer this in evidence.

The COURT.—Who is Mr. Tromble?

Mr. HELSELL.—He was the manager of the Craig Lumber Company at that time,—president of it, I guess, was his right title.

Mr. COBB.—I object to this as irrelevant and immaterial, not an issue in the case. For what purpose do you offer it? [82—8]

Mr. HELSELL.—I offer it for this purpose: Mr. Tromble in that letter not only encloses a check which shows what he was paying—he enumerates the invoices,—he encloses a check and shows what he wants to apply the payments on—shows that he paid for one of the items of extras, which was the expense of men to Alaska; and he also tells in that letter about the brick falling into the water, and asking Hills-Corbet Company to reorder the same, and saying that all he will ask of them is that they waive their percentages on that, showing that he intended and expected to stand the loss of that; and furthermore, I will connect that up by showing that he did in fact pay one hundred per cent of the new shipment of brick by his next remittance.

Mr. COBB.—If that is the purpose of it, to alter this contract, I object to it because it is not within the issues made by the pleadings, and the further reason that there is no consideration shown for it.

The COURT.—It explains the extra, doesn't it?

Mr. HELSELL.—Yes.

Mr. COBB.—I understand they are offering it for the purpose of showing that this loss of what they

(Testimony of W. W. Corbet.)

claim was their property was assumed by the Craig Lumber Company.

The COURT.—The object of this, as I understand it, is pursuing your policy of segregating the invoices, and showing how much was for machinery and how much was for extras?

Mr. HELSELL.—Yes, sir.

The COURT.—The objection will be overruled.

Mr. COBB.—To which we except.

(Whereupon said letter was received in evidence and marked Plaintiff's Exhibit "E.")

Q. With this letter, marked Plaintiff's Exhibit "E," you received the Craig Lumber Company's check in how much? A. \$3,812.23.

Q. You sent a transfer truck to Craig, Alaska, which was not mentioned in your contract,—how did you come to do that? [83—9]

A. Mr. Tromble found that he needed it and ordered it.

Mr. COBB.—A what?

Mr. HELSELL.—A transfer truck—that is one of the extras here.

Q. Smokestack, you have marked extra,—why do you mark that extra?

A. It was a stack that was needed for the boiler that was already there, and they found they needed a new stack and ordered that.

Q. You sent a bathtub up there,—that wasn't in the contract, was it?

A. That was one ordered by Mr. Tromble for a house that he was fixing up.

(Testimony of W. W. Corbet.)

Q. This extra that you have marked under invoice 303, cartage on generator, \$2.59, was that the generator you sent up? A. Yes.

Q. Now, you have an extra marked here, invoice 305, one high lead block,—did that have anything to do with your contract? A. Nothing whatever.

Q. What was it for, do you know?

A. For logging purposes.

Q. He simply requested you to purchase it and send it to him, did he? A. Yes.

Q. Invoice No. 296, for some boom chains—

A. That was also for logging purposes—had nothing to do with our contract.

Q. You purchased them and sent them to him?

A. Yes.

Q. You did that just as an accommodation to him?

A. Yes.

Q. Twenty-four cotton-top mattresses—of course, that had nothing to do with the contract?

A. That had nothing to do with the contract.

Q. You just simply sent them to him because he wanted them? A. Yes.

Q. This one piece of shafting you don't know much about, do you? A. No. [84—10]

Q. Mr. Cloudy will testify to that. 12 double-deck steel bunks.

A. Those had nothing to do with the contract.

Q. These air-tight stoves, and stove-pipe, invoice No. 328, had nothing to do with the contract?

A. No.

Q. You sent those up? A. Yes.

(Testimony of W. W. Corbet.)

Q. Now, coming to this belting which you shipped,—did you compute the amount of belting which went into the mill as distinguished from the amount that went into stock? A. Yes.

Q. Upon what information did you base it?

A. From the list that Mr. Cloudy made showing the amount that was used in the actual construction of the mill.

Q. Is Plaintiff's Exhibit "F" for identification the thing that you used? A. Yes.

Q. I will connect that up later by Mr. Cloudy. Did you compute from that how much belt was used in the mill and how much was for stock? A. Yes.

Q. How much? A. \$611.39, was extra—stock.

Q. Was stock? A. Yes.

The COURT.—The amount in the mill is in the bill of particulars?

Mr. HELSELL.—The total is in my bill of particulars and I segregated it part on contract and part not on contract.

Q. These relayers, invoice 337, were not on contract? A. No.

Q. Did they have anything to do with the contract? A. No.

Q. This pump, invoice 370, for \$716.63, did that have anything to do with the contract?

A. No, that was extra. [85—11]

Q. This double-arm pulley, invoice No. 403, did that have anything to do with the contract?

A. No.

Q. You have charged as an extra here \$18.47, under

(Testimony of W. W. Corbet.)

invoice No. 393, interest on \$5,000 for 20 days at 7 per cent—what is that?

A. Mr. Tromble sent us a check and when I put it in the bank in Seattle it was sent to the bank at Wrangell to be paid, and the Craig Lumber Company had no funds there so they held it for 20 days before it was paid—the interest on it was charged to the bank at Seattle, and they charged it to us.

Q. In other words, that really should be deducted from his payments instead of charged as material furnished? A. Yes.

Q. Now, did you, on or about the date of that letter, receive the same through the mail? A. Yes.

Q. Is that the handwriting of Mr. Cloudy?

A. Yes.

Q. Did a check accompany that letter?

A. Yes.

Q. How much? A. \$276.51.

Q. That is, two of them—two checks totaling that amount? A. Yes.

Mr. HELSELL.—I offer this in evidence to show—

The COURT.—Who is Mr. Cloudy?

The WITNESS.—He is the man that we sent up there to construct the mill and to take charge of it.

The COURT.—Is he your man?

The WITNESS.—He is our man who was handling our affairs there, but in order to take care of our interest he found it necessary also to handle the affairs of the Craig Lumber Company,—their man couldn't take care of the business very well, so it made it

(Testimony of W. W. Corbet.)

necessary for Mr. Cloudy to do a lot of their work.
[86—12]

Mr. HELSELL.—That I am offering for the purpose simply of showing that he received a certain payment which was directed to be applied on certain invoices, and it was applied on those invoices.

Mr. COBB.—We object to it as irrelevant and immaterial.

The COURT.—I think it is material, but I cannot tell who Mr. Cloudy is—he was, it would seem, occupying a dual position.

Mr. HELSELL.—He was, if the Court please, disbursing the Craig Lumber Company's money as well as his own,—he had sort of full authority to go ahead, and when these invoices came in—it was the only occasion on which that occurred—he wrote a check and sent it to the Hills-Corbet Company in payment of those few invoices, and I want to show the application of those payments to those particular invoices because in certain instances they are extras.

The COURT.—The objection is overruled.

(Whereupon said letter was received in evidence and marked Plaintiff's Exhibit "G.")

Q. Did you receive this letter through the mail?

A. Yes.

Q. About the date of the letter? A. Yes.

Q. Is that signed by Mr. Tromble?

A. Yes.

Mr. HELSELL.—I offer that in evidence. That is a letter enclosing checks in payment of certain invoices which were outside of the contract.

(Testimony of W. W. Corbet.)

The COURT.—Signed by whom?

Mr. HELSELL.—The manager of the Craig Lumber Company, Mr. Tromble.

Mr. COBB.—This applies to invoices 296, 305 and 306?

Mr. HELSELL.—Yes, sir.

Mr. COBB.—I will make the same objection to that.

The COURT.—The objection is overruled.

(Whereupon said letter was received in evidence and marked Plaintiff's Exhibit "H.") [87—13]

Q. Now, Mr. Corbet, if you will get your books of account, I want you to state to the Court what payments you received from the Craig Lumber Company. What was the first payment you received from the Craig Lumber Company?

A. On December 17th, \$3,812.23.

Q. Is that the first one?

A. Yes,—no, December 8th was the first one.

Q. How much was that? A. \$4,020.44.

Q. That was in payment of what,—what invoices, do you know?

A. No, I don't—cannot tell from this.

Q. It was 50 per cent of something?

A. That was 50 per cent of all the invoices dated November 15th and 27th.

Q. What was the next payment you received?

A. On December 17th, \$3,812.23.

Q. And that was the check you referred to which accompanied this letter that you identified?

A. Yes.

Q. The next payment you received was how much?

(Testimony of W. W. Corbet.)

A. \$4,461.63.

Q. Now, can you tell the Court in payment of what invoices that remittance was sent?

A. That was all the invoices dated January 23d, for the replacement of the brick and other things that fell into the water there, and half of all the invoices dated January 24th, less a credit of \$11.56 for some stuff that was invoiced to them and wasn't sent.

Q. Well, was there one invoice of January 24th that was not included in that payment, the last one?

A. Yes; there was that one that wasn't included in that.

Q. And that check was in payment of one hundred per cent of the brick, invoice No. 279, generator, brick, etc.? A. Yes.

Q. And 50 per cent of all the invoices of January 24th, except [88—14] invoice No. 283?

A. Yes.

Q. Less a credit of \$11.56. You already testified about receiving the check for \$276.51 on February 20th, did you not? A. Yes.

Q. What is the next you received?

A. March 5th, \$361.45.

Q. Now, up to that point the payments had been sent to you for particular invoices, had they not?

A. Yes.

Q. Now, what is your next payment?

A. March 18th, \$5,000.00.

Q. Who paid you that \$5,000? A. Mr. Tromble.

Q. Where? A. In Seattle.

Q. Did he make any,—give you any instructions as

(Testimony of W. W. Corbet.)

to what to apply that to? A. No.

Q. Just gave you \$5,000 generally?

A. Gave us a check.

Q. When is your next payment?

A. On December 10th, \$1,000.

Q. December,—you have overlooked one, haven't you,—July? A. July 19th, \$1,000.00.

Q. Did he give you any instructions as to how to apply that check? A. No.

Q. When is your next payment?

A. On December 10th.

Q. 1918? A. 1918.

Q. How much? A. \$1,000.00.

Q. Who gave you that money?

A. Why, that was paid to us through Mr. Gates,—it was paid to [89—15] Mr. Gates by Mr. Shattuck.

Q. Mr. Shattuck was then the—

A. He was then manager of the Craig Lumber Company,—at least he had charge of their affairs.

Q. Is that the last payment that you received?

A. Yes.

Q. Now, all of these articles of merchandise were shipped by you to the Craig Lumber Company, were they not? A. Yes.

Q. I notice some of these letters are signed by Mr. Tromble personally, but you were doing business all that time with the Craig Lumber Company?

A. Yes.

The COURT.—You had no personal business with Mr. Tromble?

(Testimony of W. W. Corbet.)

The WITNESS.—No.

Mr. HELSELL.—Take the witness.

Cross-examination.

(By Mr. COBB.)

Q. Mr. Corbet, in what business was the Hills-Corbet Company engaged in 1917?

A. Selling sawmill machinery.

Q. You carried a stock of your own?

A. Yes, a small stock.

Q. You were also engaged in installing it, weren't you? A. Yes.

Q. Selling and installing? A. Yes.

Q. In carrying on that business, did you supply the machinery out of your own stock as a rule?

A. No.

Q. As a rule, then, when you got a contract such as has been introduced in evidence here with the Craig Lumber Company, you went out in the market and bought machinery to fulfill the contract?

A. Yes. [90—16]

Q. And you charged a percentage on that?

A. No; as a rule, we charged a given price for it.

Q. Yes, as a rule you charged a given price for it. Now, in this instance, the machinery that is mentioned in your petition here, did you have that on hand at the time the contract was made?

A. One or two machines.

Q. This sawmill machinery—

A. We had one or two of the machines on hand.

Q. Do you know what you had on hand?

A. I don't recall just now,—I think there was a

(Testimony of W. W. Corbet.)

saw, but I cannot tell just what else.

Q. A saw? A. Yes.

Q. Do you know which saw that was?

A. A Berlin re-saw.

Q. What have you got that priced at?

Mr. HELSELL.—It is the first item on the bill of particulars, Mr. Cobb.

Q. (By Mr. COBB.) One Berlin number 283 re-saw, \$603.50. What other machinery besides did you have on hand—besides that?

A. I cannot tell you just now.

Q. How is that?

A. I cannot tell you just now.

Q. Did you have any to speak of?

A. Very little.

Q. Most of it you went out in the market and bought for the purpose of complying with this contract? A. Yes.

Q. And you charged first 15 per cent working expense on that, and the 10 per cent profit? A. Yes.

Q. Now, under this contract the Hills-Corbet Company obligated itself that the mill as completed should not exceed \$32,125.00 cost; is that right?

A. Yes, \$32,125.00. [91—17]

Q. \$32,125.00, that was to be the total cost?

A. Yes.

Q. That included the labor? A. Yes.

Q. And everything that entered into it. Now, the total of the invoices that you say you sent to them, on your bill of particulars here, under the contract was \$31,780.40,—what does that represent?

(Testimony of W. W. Corbet.)

A. That represents the cost of the machinery at Seattle.

Q. Anything else?

A. With our profit added to it.

Q. That has your profits added to it? A. Yes.

Q. That has first 15 per cent added to it and then 10 per cent?

A. That 15 per cent is part of the cost.

Q. That is your operating expenses in Seattle?

A. Yes.

Q. Covered by an estimate of that much. Does that include any labor? A. No.

Q. Doesn't include any of the work at the mill?

A. No.

Q. Installing it? A. No.

Q. Now, I see under the contract you were to install that at your own expense at the mill?

A. Yes.

Q. Pay for the labor? A. Yes.

Q. Now, did you send them any money to pay those laborers? A. No.

Q. How was that labor taken care of?

A. The Craig Lumber Company was to pay that.

Q. And whatever they paid was to be credited on the cost of the mill to them by you? [92—18]

A. Yes.

Q. That was the arrangement?

A. The arrangement was that we were to send them bills at the end of each month for all the labor and they were to pay that.

Q. And that was to be credited on the \$32,125.00?

(Testimony of W. W. Corbet.)

A. Yes.

Q. Because you had obligated yourselves to pay that? A. Yes.

Q. That arrangement was simply made for convenience. I see here that you put in a credit to the Craig Lumber Company for \$6,443.76 for labor paid by them—that entered into part of the cost of the mill, did it? A. Yes.

Q. Now, you have mentioned these extras that were sent when ordered—you also charged the 15 and the 10 per cent on those, too?

A. Why, in the arrangement we made with Mr. Tromble we said we would charge for extras just as we had arranged to do in the contract—instead of charging an arbitrary price we would furnish him all the extras he needed there in the construction of the mill on the same terms as the other machinery.

Q. And so that was done? A. Yes.

Q. Did you keep any books down there at all other than these documents you sent in?

A. We had books; yes.

Q. What books?

A. Journal, cash-book and ledger.

Q. Have you got those books with you?

A. Yes.

Q. Let's see them. A. Here is the journal.

Q. Now, in keeping your books you just kept a general account with the Craig Lumber Company?

A. Yes. [93—19]

Q. Didn't make any distinction in charges and credits there at all, whether it was on the contract

(Testimony of W. W. Corbet.)

or anything else? A. No.

Q. It was kept as a general account? A. Yes.

Q. That is the way your books were kept and the business run? A. Yes.

Q. And at the time that you bought all of this machinery, except that re-saw that you have mentioned, you bought it for the purpose of sending it to Craig to comply with your contract with the Craig Lumber Company? A. Yes.

Q. Now, I am going to ask the indulgence of the Court,—it may not be proper cross-examination, but I think the Court realizes the position I am in as attorney for the trustee—I know nothing about this, and I want to examine Mr. Corbet. I have given him full opportunity to examine these books and I want to ask about certain items on these books—I have called attention to these, isn't that correct?

Mr. CORBET.—I think so.

Mr. HELSELL.—What is correct?

Mr. COBB.—That I gave him full access to them.

Mr. HELSELL.—Oh, yes.

Q. (By Mr. COBB.) Under date of September 30th, journal page 30, there is a charge against you by the Craig Lumber Company of \$1745.00—were you ever able to find out anything about that? Referring to the journal and the items in connection with it, can you ascertain anything about what that charge was for—whether it was correct or not?

Mr. HELSELL.—Read what is in the journal.

Mr. COBB.—Hills-Corbet Company (Cloudy), list of checks paid June 13, 1918, \$100.00.

(Testimony of W. W. Corbet.)

The WITNESS.—I have no record of that at all.

Mr. HELSELL.—You don't know what that is?

The WITNESS.—I don't know anything about that. [94—20]

Q. (By Mr. COBB.) You know nothing of that at all? A. No.

Q. \$1745.00—maybe Mr. Cloudy may be able to explain it. I know nothing about it, of course. Now, I hand you a check dated January 5, 1918, payable to the Hills-Corbet Company by F. A. Cloudy, and ask you if you know anything about that—what it was given for?

A. Why, I suppose that is a check—

Mr. HELSELL.—He asked you if you knew—don't conjecture.

A. I don't know anything about it personally. Mr. Cloudy can explain that.

Q. (By Mr. COBB.) You don't know anything about that personally? A. No.

Q. Do you know anything about it from any of your business associates who were handling this business for you? A. No.

Q. Or anybody that was employed by you?

A. I was told by Mr. Cloudy what it was for.

Q. Mr. Cloudy handled it, did he? A. Yes.

Q. As your agent? A. Yes.

Q. What was it for then?

Mr. HELSELL.—Do you want him to give hearsay testimony?

Mr. COBB.—Gotten from his agent.

(Testimony of W. W. Corbet.)

Mr. HELSELL.—You never saw the check before, did you?

The WITNESS.—Never did.

Mr. HELSELL.—I object to him telling something that Mr. Cloudy told him about it. Mr. Cloudy is right here to explain it himself,—he does not know that that is the same check.

The COURT.—I think you had better put Mr. Cloudy on the stand for that.

Mr. COBB.—Very well, I won't cross-examine on this any further.

Q. (By Mr. COBB.) Now, in your bill of particulars here you have the company credited with \$19,943.82 cash, and you have given [95—21] the items in it,—you don't mean the Court to understand that that is all the money the Craig Lumber Company has paid for the construction of that mill under this contract?

A. That is all the cash that they have paid us.

Q. Is that all that they have paid on account of the contract?

A. That is the only cash they have paid us. In addition to that they have paid the labor.

Q. Taken care of that up there which you were under obligations to perform for them? A. Yes.

Q. Now, in your bill of particulars you claim a total balance here in your favor of \$11,257.29, is there that much owing you?

A. I believe that has been reduced a little by the change that has been made in that.

Q. How much has it been reduced, and how?

(Testimony of W. W. Corbet.)

A. Why, the labor charges have been reduced.

Q. What is that?

A. The labor charge has been reduced some.

Q. The labor charges had not been made at that time—that is credits to the Craig Lumber Company for labor that they had paid that you didn't have at the time this bill was made up? A. Yes.

Mr. HELSELL.—The labor is credited in there—\$6,443.76.

Mr. COBB.—I know, but he says there are other labor charges, as I understand, that have been credited since.

The WITNESS.—No, no other labor—that has been revised a little.

Q. Well, that balance, whatever it may be, is made up then of the entire charges on the contract and on the extras, and then the entire credits that you have given to the Craig Lumber Company?

A. Yes.

Q. In other words, it is a balance struck on this whole account, which includes everything?

A. Yes.

Q. You don't know how much of that is due on the purchase price of [96—22] the machinery, do you? A. I don't know just now; no.

Q. Nor how much of it is due on the extras. Now, then, some of these extras that you have charged there were to replace certain articles that were furnished under contract and were lost when the dock went down? A. Yes.

Q. And the items that were lost at that time are

(Testimony of W. W. Corbet.)

also charged in there to the Craig Lumber Company, are they? A. Yes.

Q. So that those items called for in the contract are duplicated—once as under the contract and once as extras? A. Yes; those extras were paid for.

Q. Yes, but they enter into the general account that is extras in this bill of particulars? A. Yes.

Mr. COBB.—That is all.

Redirect Examination.

(By Mr. HELSELL.)

Q. Just one question, Mr. Corbet—all of the machinery and other property bought by you and shipped to the Craig Lumber Company at Craig, Alaska, were bought by you in your own name in Seattle, were they not? A. Yes.

Q. On your own money? A. Yes.

Q. You pledged your own credit? A. Yes.

Q. And they were charged to you? A. Yes.

Mr. HELSELL.—That is all.

(Witness excused.) [97—23]

Testimony of F. A. Cloudy, for Petitioner.

F. A. CLOUDY, introduced as a witness on behalf of the petitioner, being first duly sworn to tell the truth, the whole truth and nothing but the truth, testified as follows:

Direct Examination.

(By Mr. HELSELL.)

Q. Mr. Cloudy, your name is F. A. Cloudy?

A. Yes, sir.

Q. What is your business?

(Testimony of F. A. Cloudy.)

A. Directing engineer.

Q. Have you been familiar for some years with the sawmill business? A. Yes, sir.

Q. You were employed, were you not, by the Hills-Corbet Company to install the machinery for the Craig Lumber Company? A. Yes, sir.

Q. Did you take a crew of men from Seattle, Washington, to Craig, Alaska, for the purpose of installing that machinery? A. Yes, sir.

Q. About when did you arrive in Craig, Alaska?

A. About the 2d of December, 1917.

Q. Now, you had a copy of that blue-print with you, did you? A. I did.

Q. I will show you the blue-print attached to Plaintiff's Exhibit "A," and ask you if this is the blue-print a copy of which you had? A. Yes, sir.

Q. Will you explain to the Judge in general what work you had to do under that contract? Just explain the meaning of this blue-print as well as you can.

A. Under the terms of the contract,—this is the line of the old building—that line indicates the old building—also this dotted line here is part of the old building, and this dotted line is part of the old building; and under the terms of the contract we were to extend that building 20 feet in length, and 32 feet 6, 25 feet 3, and 18 feet 6 in width.

Q. Were you to build a planing mill? [98—24]

A. Yes; 18 feet 6 by 59 feet 6, comprised the planing-mill.

Q. Were you to build a dry kiln?

(Testimony of F. A. Cloudy.)

A. We were to build a dry kiln 104 feet no inches long, by 21 feet no inches wide.

Q. Were you to build a boiler-house?

A. The boiler-house, 18 feet,—

Q. Never mind the dimensions,—show the Judge where it is. A. Right here.

Q. And you were to install certain machinery inside of the buildings? A. Yes, sir.

Mr. HELSELL.—Now, laying that aside for a minute,—the blue-print, I might say, calls for the erection of the buildings above the foundations, and so does the contract,—the contract says that the purchaser, or the Craig Lumber Company, has to drive the foundations—the pile foundations, and furnish the piles.

Q. When you got there did you find any foundations laid?

A. No new foundations. The only foundation that was laid would be the foundation under the 20-foot extension to the old sawmill building.

Q. Did you find any lumber there for you to do business with? A. Practically none.

Q. Who was there when you got there, representing the Craig Lumber Company?

A. Mr. F. J. Tromble.

Q. Did he give you any instructions after you arrived there as to what he wanted done?

A. Yes, he did.

Q. Did he make any changes in the plans?

A. Yes.

Q. What were they?

(Testimony of F. A. Cloudy.)

Mr. COBB.—I object to that—there is nothing of that kind in the pleadings.

Mr. HELSELL.—We show the amount of labor that is chargeable to us, [99—25] and we have a right to show how we arrived at that sum.

The COURT.—Yes, I think so, Mr. Cobb, if the changes were made under the direction of the Craig Lumber Company.

A. Yes, he did.

Q. What changes did he direct you to make?

A. He wanted the roof raised over the entire building—to make one roof cover both the planing-mill and the sawmill.

The COURT.—What part of your claim is this going to refer to,—the labor part of it?

Mr. HELSELL.—Yes, the labor—to show what labor was done that was not under the contract.

Q. You might explain to the Court what he wanted you to do, and what you did do in the way of building an entire new roof over the mill.

A. The old building was about 32 feet high at the peak, and at the eaves where the sawmill property terminated and the planing-mill would start it was 8 feet above the platform or floor, then the planing-mill roof would be flat,—he said he would rather have it all under one roof, and that would give him a stretch over the planing-mill for box shooks and also over this end of the sawmill.

Q. I show you a little sketch—did you prepare that? A. I did.

Q. Does that indicate what you actually did do?

(Testimony of F. A. Cloudy.)

A. Yes, sir.

Q. You give the line of the present roof, and then the line of the raised roof? A. Yes, sir.

Q. And you ran it clear over until it went across and covered the planing-mill? A. Yes, sir.

Mr. HELSELL.—I offer that in evidence for the purpose of illustrating his testimony.

Mr. COBB.—When did you make this? [100—26]

The WITNESS.—Along about the first week in December, 1917.

Mr. COBB.—This plat?

The WITNESS.—Yes.

(Whereupon, there being no objection, said sketch was received in evidence and marked Plaintiff's Exhibit "I.")

Q. What other changes did Mr. Tromble order?

A. Changes in the engine foundation.

Q. What changes did that consist of, in the engine foundation?

A. I think he wanted the engine set on a concrete foundation, and we were to build the foundations of wood.

Q. Just state to the Judge in general the classes of work that you had to do that were not under the contract.

Mr. COBB.—I object to that as calling for a conclusion of the witness. Let him say what was done, and it is for the Court to say whether it was under the contract or not.

Mr. HELSELL.—He can state his opinion—the

(Testimony of F. A. Cloudy.)

Court does not need to follow it unless the Court takes the same view of the contract that he does. He can give his opinion of what labor was not under the contract, and the Judge can follow it or not, as he sees fit.

The COURT.—No, I do not think so,—let him tell what he did.

Mr. HELSELL.—As long as the Court knows my purpose in getting at it, that is all there is to it.

Q. What different kinds of work did you have to do when you arrived there?

A. The first thing I had to do was to take some men and re-construct a bunkhouse and the dining-room attached to the bunkhouse, then had to saw lumber, and repile a lot of lumber that was in the way, that I had to move before I could take care of the new lumber, clear off platforms of snow, saw wood for the cookhouse, lay piping for the cookhouse, and had to take charge of the crew in the cookhouse.

Q. Go ahead—what about the foundations?

A. For the foundations, had to clear off ground, remove snow, clear the ground, excavate for mud sills, strengthen up the [101—27] foundation under the mill that had been knocked out by drift logs.

Q. Did Mr. Tromble, the manager or president of the Craig Lumber Company, have no crew there at all? A. He had no men there at all.

Q. So you had to do with your own crew practically all the work—

Mr. COBB.—I object to your leading,—let him state what he did.

(Testimony of F. A. Cloudy.)

Q. Did your crew, then, do all the work that was done there? A. They did.

Q. And did you keep a record of the time of your men, and keep track of the various kinds of work which they did? A. I did.

Q. Now, I will show you a package of time sheets and ask you what they are.

A. They are the time sheets kept by myself of the men.

Q. Of the men of your crew? A. Yes, sir.

Mr. HELSELL.—I will offer them in evidence.

Q. (By Mr. HELSELL.) What period of time do these sheets cover?

A. Part of November and December, 1917.

Q. These were kept by you and were classified according to the different kinds of labor that they did?

A. Yes, sir.

Q. And you carry the rate of pay and everything right here? A. Yes.

Mr. HELSELL.—I offer them in evidence as one exhibit.

(Whereupon, there being no objection, the said sheets were received in evidence and marked Plaintiff's Exhibit "J.")

Q. What is this, Mr. Cloudy? (Handing book to witness.)

A. It is a time book which I kept.

Q. That shows the time from when to when?

A. January, 1918, to April, 1918.

Q. Four months in 1918? A. Yes, sir.

Q. January to April, inclusive?

(Testimony of F. A. Cloudy.)

A. Yes, sir. [102—28]

Q. That shows the time of your crew of men that you brought up there? A. Yes.

Q. And the rate of pay?

A. And the rate of pay; yes, sir.

Q. So that from this book can be segregated the various classes of labor which they worked upon?

A. Yes, sir.

Mr. HELSELL.—I offer this in evidence.

Mr. COBB.—All right.

(Whereupon said book was received in evidence and marked Plaintiff's Exhibit "K.")

Q. Referring to this time-book, Exhibit "K," you have in little initials the various kinds of work—S. M., etc.? A. Yes, sir.

Q. And you have in the back of the book the key to that, have you not? A. Yes, sir.

Q. And when you say in your time-book, or on your time-cards, sawmill, what do you mean—what kind of work was that?

A. That was work in the sawmill cutting lumber.

Q. Cutting lumber? A. Yes, sir.

Q. And when you use the term "Shoveling snow," where was that work done, and what was it for?

A. Out in front of the mill, shoveling snow to make room for the lumber, and shoveling it from the ground before starting the work on the foundation.

Q. Getting it cleared? A. Yes, sir.

Q. Wood for cook-house—of course that speaks

(Testimony of F. A. Cloudy.)

for itself. Brick from Revilla, what does that mean?

A. I had my crew longshoring, in other words, taking the brick and cargo from the ship's sling and storing it on the dock. [103—29]

Q. Removing boilers, what does that include?

A. Taking the boilers from the dock to the mill property.

Q. Sort of hauling them from the end of the dock where you took them off the ship to the site of the mill? A. Yes, sir.

Q. Dry kiln foundation, what was that?

A. That was work on the dry kiln foundation.

Q. What did it consist of?

A. Excavating for mudsills, laying of the mudsills and the floor sills.

Q. Removing lumber?

A. That was labor necessary to remove lumber from the proposed site of the dry kiln,—they had piled lumber there and it had to be moved.

Q. Water-pipe, and replacing,—what is that?

A. That was after a heavy frost, we had to take out the pipe, connected from Lindenburger's cannery—the pipe-line to the cookhouse of the Craig Lumber Company froze up, and we had to take it out and replace it.

Q. Now, you have a general item called mill roof, what does that include?

A. That is work on the mill roof, putting on sheathing—rafters and sheathing.

Q. And also includes raising the roof, does it?

(Testimony of F. A. Cloudy.)

A. In part, yes, sir.

Q. Then you have another item, called clearing platform; what does that include?

A. That was a job clearing the platform to make room for the extension in front of the sawmill—lumber piled up there promiscuously.

Q. Moving engine, what does that mean?

A. That was removing engine from the dock to the mill site.

Q. Then you have an item here called lumber order, what does that mean?

A. They had one of my men filling an order of lumber that was [104—30] sold to a customer of the Craig Lumber Company.

Q. You have an item here removing machinery from dock—that speaks for itself, I suppose?

A. Yes, sir; from the dock to the site of the mill.

Q. From the ship's sling to the mill site?

A. No; it was unloaded on the dock—that was some machinery that had arrived before I did.

Q. I see you have here an item marked gravel, what is that—sand and gravel—include those two together.

A. That is for shoveling gravel aboard the scow and then unloading at the mill site.

Q. What was that gravel for?

A. Engine foundations.

Q. Removing engine?

A. That is another engine—there were two engines—from the dock to the mill site.

Q. You have an item here called mill foundation?

(Testimony of F. A. Cloudy.)

A. That was an item I spoke of a while ago where a drift log had knocked out some foundation under the old mill, which it was necessary for us to replace.

Q. You have an item here called boiler-house foundation—what was that?

A. That was work necessary to clear the ground and remove an old tank, and a lot of old wood that was burned up—necessary for the foundation of the boiler-house.

Q. You have an item called tearing down saw-mill—what is that?

A. That is tearing out the old building after the new building had been erected over it.

Q. The old roof, you mean?

A. The old roof and some of the superstructures.

Q. You have an item here, papering mill roof?

A. That was applying the paper covering.

Q. I see, and the mill roof proper would be labor on the mill roof? A. Yes, sir. [105—31]

Q. Trussing mill,—you have an item called trussing mill, what is that?

A. That is after the mill was partially completed Mr. Tromble decided that he would like to have a plate or beam—cords, we call them, directly over the sawmill deck and carriage raise, to enable them to take larger logs into the mill,—some of the logs were 10 feet in diameter.

Q. I show you a little sketch—what is that?

A. It is a sketch I gave my millwright or car-

(Testimony of F. A. Cloudy.)

penter to work from in raising the cords, to allow them to get those logs in.

Q. That shows what you did in trussing the mill?

A. Yes, sir.

Mr. HELSELL.—I offer that in evidence.

Mr. COBB.—For what purpose?

Mr. HELSELL.—Why, this is extra labor that was not called for by the contract.

Mr. COBB.—I don't know whether it is or not. You haven't proved it.

Mr. HELSELL.—He testified to it—that Mr. Tromble ordered it.

The COURT.—It will be admitted as illustrating the witness' testimony.

(Whereupon said sketch was received in evidence and marked Plaintiff's Exhibit "L.")

Q. You have an item marked carriage—what is that?

A. It was necessary to overhaul the carriage. We were not to do any work on the carriage, but the carriage was in a dilapidated condition, and he asked to have it overhauled, so I did so.

Q. You say he did, you mean Tromble?

A. Yes, sir.

Q. You have an item here marked logging, what is that?

A. That was some logs that were removed from the site of the dry kiln.

Q. To clear a floor space? A. A clear area.

Q. You have an item marked Stevens' residence, what is that?

(Testimony of F. A. Cloudy.)

A. That was some work necessary to be done at Henry Stevens' residence, an uncle of Mr. Tromble's. [106—32]

Q. Had that anything to do with the Craig Lumber Company—did the Craig Lumber Company own his residence? A. No.

Q. Mr. Tromble ordered the work done?

A. Ordered the work done.

Q. Pipe-line to cookhouse, what is that?

A. Reconstructing after another heavy frost.

Q. You have an item here marked brick shed?

A. Constructing a shed over the brick on the dock.

Q. You have an item here called log slip, what is that?

A. Building a log slip to the mill from the pond.

Q. You have an item here called log pond, what is that?

A. Arranging boom sticks and dolphin piles on the pond for receiving logs.

Q. You have an item called water-tank, what is that?

A. Erecting a water-tank in connection with the mill, for storage.

Q. Were all of these items of labor done at anybody's request? A. Tromble's.

Q. He ordered them, did he? A. Yes, sir.

Q. Tell the Court why it was necessary to re-order all the brick and a new generator.

A. Why, the first shipment broke the dock and fell into the water.

(Testimony of F. A. Cloudy.)

Q. At Craig, Alaska?

A. At Craig; yes, sir.

Q. Whose dock was it on?

A. It was on the Company's.

Q. Why did it fall into the water?

Mr. COBB.—I object to that as irrelevant and immaterial, why it fell into the water—it isn't a damage suit.

Mr. HELSELL.—The question of who was to pay for it, is all.

The COURT.—As negating the idea that anybody is responsible but the Craig Lumber Company themselves?

Mr. HELSELL.—That is the idea.

Mr. COBB.—That isn't in the pleadings here.
[107—33]

The COURT.—It is in the pleadings with certain charges for labor and certain charges for material—it is all put in together, and there are certain moneys paid for it. This is segregating it, seeing how much comes under the contract and how much does not come under the contract. Proceed.

Q. (By Mr. HELSELL.) Why did it fall in the water,—how did it come to fall in the water?

A. The dock was very frailly built.

Q. Well, did the dock give way? A. Yes, sir.

Q. Collapsed, did it? A. The dock collapsed.

Q. What did you lose by the collapse of the dock?

A. 72,000 brick.

Q. Did you lose all of the brick that was shipped up there on the first shipment?

(Testimony of F. A. Cloudy.)

A. Practically all.

Q. What else did you lose?

A. Lime, fire clay—

Q. Any machinery? A. Dynamo generator.

Q. Generator, you mean—anything else,—how about a boiler front?

A. Yes, two boiler fronts, and some grate bars.

Q. Now, you have marked as an extra invoice No. 280, on January 24, 142 sacks superior cement—state to the Court what that cement was used for. A. For the engine foundations.

Q. Concrete foundations? A. Yes, sir.

Q. We have marked as an extra here invoice No. 288, one transfer truck—state to the Court what that was.

A. That was a truck Mr. Tromble wanted installed to convey the lumber from the dry kiln to the planer, and that would avoid handling the dry-kiln trucks or small hand-trucks and conveying the lumber around to the planer—it would be transferred on that transfer truck, that is, as a whole.
[108—34]

Q. Then we have invoice No. 290, one smoke-stack, 30x40, and 17 grate bars—what were they for?

A. That is for a small boiler that was on the ground. The stack had rotted away and fell and he wanted that small boiler installed, and ordered the stack for it.

Q. That was a boiler that was not covered by the contract? A. No, sir.

(Testimony of F. A. Cloudy.)

Q. Do you know about this bathtub—what was that for?

A. I installed that bathtub in Tromble's residence.

Q. Tromble's residence? A. Yes, sir.

Q. There at Craig? A. Yes, sir.

Q. Property of the Craig Lumber Company?

A. I do not know.

(Whereupon court adjourned until 10 o'clock tomorrow morning.)

MORNING SESSION.

March 18, 1920, 10 o'clock A. M.

Mr. HELSELL.—I want to say for the Court that the list of labor which I was reading to the witness yesterday was a list of labor which we claim was not on the contract—which was outside of the contract, and I want to show the Court the reason why I make that contention. The blue-print provides that the buildings which we were to erect were to be erected above the foundations, and no work was to be done on the main carriage at all, and no work or changes to be made in the old saw-mill building.

Mr. MARSHALL.—Are you going to offer testimony on that?

Mr. HELSELL.—I am stating what the contract states now.

Mr. COBB.—That differs very much—you are reading your construction of the contract.

Mr. HELSELL.—I am reading from the blue-print.

(Testimony of F. A. Cloudy.)

Mr. COBB.—You are reading your construction of the blue-print.

Mr. HELSELL.—I will read the language, if you like,—I did not know you doubted my word. The contract does not call for any work on carriage or carriage track. “Contract does not call for [109—35] any work on” old boiler—“this boiler,” it says: “Boiler-house and machine-shop to be erected above foundations”; “dry kiln to be erected complete above foundations”; “contract does not call for any work on log-slide, haul-up rig, log deck, or over head turner”; “building as shown outside dotted line to be erected new above floor”; “*building as shown outside dotted line to be erected new above floor*”; “contract calls for the installation of machinery as shown on plans, but not any work on present building.”

F. A. CLOUDY, on the witness-stand.

Direct Examination (Cont'd).

By Mr. HELSELL.—I show you Plaintiff's Exhibit “D,” Plaintiff's Exhibit “C” and Plaintiff's Exhibit “B,” and ask you if you will look those over and state whether you have seen them before.

A. Yes.

Q. You have read the descriptions of the machinery on them, have you not? A. I have.

Q. State whether or not that machinery was actually delivered at Craig, Alaska, and used by the Craig Lumber Company. A. It was.

Q. That generally is the machinery and equipment and supplies which you installed there, is it?

A. Yes.

(Testimony of F. A. Cloudy.)

Q. Now, you have already explained that matter of the brick and stuff that fell in the water to the Court. We have on January 24th, invoice No. 280, 142 sacks of Superior cement marked extra on our bill of particulars,—was that connected with the contract or not?

Mr. COBB.—I object to that as calling for the opinion of the witness,—the contract speaks for itself.

Q. What was the cement used for?

A. Engine foundations.

Q. Concrete engine foundations? [110—36]

A. Yes, sir.

Q. I call your attention to invoice No. 288 for one transfer truck—you explained that to the Court, didn't you? A. I did.

Q. And I asked you about the smokestack?

A. Yes, sir.

Q. Invoice No. 305, February 8th, one high lead block; how about that?

A. We had nothing to do with that. That was ordered for the McDonald Weist Lumber Company through the Craig Lumber Company.

Q. They were doing the logging?

A. Logging; yes, sir.

Q. I call your attention to invoice No. 296 for 25 boom chains.

A. They were also ordered for the logging company.

Q. What do you mean by for the logging company?

(Testimony of F. A. Cloudy.)

A. The McDonald Weist Logging Company were logging for the Craig Lumber Company.

Q. Who ordered them from you? A. Tromble.

The COURT.—Those are in the extras?

The WITNESS.—Yes.

Q. (By Mr. HELSELL.) 24 cotton-top mattresses; what were they for?

A. For the Craig Lumber Company—had nothing to do with the contract.

Q. Where did they use them?

A. In the bunkhouse, for the men.

Q. Here is a piece of 3 15/16 inch shafting, 15 feet long, and a flange coupling—what was that used for?

A. For a change made in the plans, authorized by Mr. Tromble.

Q. What was the change? Just tell what it was and where it was.

A. Well, by extending the shaft known as the line shaft that would give them more room between the engines and the roadway—quite a space in there—about 4 feet or more clear, and Mr. Tromble accepted that change. I explained to him that would be extra and he said it was all right, he would have it changed. [111—37]

Q. 12 double-deck steel bunks, invoice No. 320; where were they used?

A. In the bunkhouses—sleeping-bunks.

Q. Now, invoice No. 317, 25 sacks of cement, under date of March 2d; what were they used for?

A. They were shortage.

Q. What were they used for?

(Testimony of F. A. Cloudy.)

A. Concrete engine foundation.

Q. Invoice No. 328, 4 air-tight stoves, stovepipe, etc.; what was that used for?

A. For heating the bunkhouse.

Q. Now, coming to invoice No. 330, the belting, I might ask you this question—was there more belt ordered and shipped up there than was needed to equip the mill and start it and get it running?

A. Yes, sir.

Q. About how much more? A. Nearly double.

Q. What was the purpose of that, do you know?

A. To have extra belt on hand in case of accident to any of the belts.

Q. I show you Plaintiff's Exhibit "F" for identification, and ask you what that is.

A. That is a memorandum of the lengths of belt used. I measured the distances and read them off or called them off to my boy, who put them down on this sheet.

Q. That is the belt that was actually installed?

A. Actually installed.

Q. And it is correct, is it?

A. That is correct, yes, sir.

Mr. HELSELL.—I offer this in evidence. This, with Mr. Corbet's computation, shows the amount of belt used in the mill and the amount put in stock-room.

Mr. COBB.—No objection.

(Whereupon said sheet was received in evidence and marked Plaintiff's Exhibit "F.") [112—38]

Q. I call your attention to invoice No. 337, 225

(Testimony of F. A. Cloudy.)

feet of 35 pound relayers—what were those used for?

A. In connection with that transfer truck, behind the dry kiln.

Q. Who were they ordered by?

A. Craig Lumber Company.

Q. Invoice No. 335, 3 rolls of 2-ply roofing shipped on March 15, \$14.42, what was that used for?

A. That was extra, for roofing ordered by the Craig Lumber Company.

Q. For the roof. Invoice No. 370, pump fitted with brass rods; what was that for?

A. Fire pump.

Q. Who ordered that?

A. Craig Lumber Company.

Q. Was that pump ever used? A. It was not.

Q. Where is it now? A. In the mill.

Q. But it was never put in place?

A. Never installed; no, sir.

Q. Why was that?

A. Didn't have fittings to install it with.

Q. Invoice No. 403, one 30 by 24 double arm pulley; what was that for?

A. That was ordered for the extension of that line shaft.

Q. The same purpose as you mentioned about that shaft a while ago? A. Yes, sir.

Mr. COBB.—Pardon me—I want to understand one matter. Are you seeking to recover in this case this pump and any of the articles mentioned as extras?

(Testimony of F. A. Cloudy.)

Mr. HELSELL.—I think probably that is not covered by the contract.

Mr. COBB.—I just wanted to understand the purpose for which you are asking this.

Q. Now, coming to the question of the pay for your men, how you got them paid and how you kept your accounts down there,—you [113—39] worked all of December and then in January had a payroll made, did you not? A. Yes, sir.

Q. Now, did the Craig Lumber Company take care of that payroll themselves?

A. They did not.

Q. What did Mr. Tromble do toward taking care of that? A. Nothing.

Q. When did he leave there after you arrived—how soon afterwards?

A. Very shortly—I think he left about the latter part of December.

Q. What provision did he make to take care of old payrolls before he left?

A. Well, he made no provision; when he left he said “there is money in the safe,” and he gave me the combination of the safe and signed three checks, and said, “send those to the bank—make up the amount of my payroll and send those to the bank,” or I could go down to Mr. Halvorsen, the merchant there, and draw on him to the amount of \$10,000,—he said that on his way up.

Q. These checks he gave you were in blank, were they? A. Blank.

Q. Were you able to get any money on them?

(Testimony of F. A. Cloudy.)

A. No. I sent one to the bank and didn't hear from them.

Q. What did you finally do to get your men paid?

A. I went to Wrangell to see what the bank was going to do about it.

Q. The Bank of Wrangell? A. Yes, sir.

Q. Whom did you see there at the bank of Wrangell? A. Mr. Warren.

Q. W. H. Warren, the cashier?

A. W. H. Warren; yes, sir.

Q. What did Mr. Warren say to you?

A. He said he couldn't do anything about it—that he had written Mr. Tromble repeatedly about making arrangements—wanted him to come in and sign some notes and mortgages and Tromble went [114—40] over there in a condition unfit to do business, and made absolutely no arrangements, and he couldn't do anything for him.

Q. You said what to him?

A. I said then I would either have to quit,—I had a telegram written to Hills-Corbet Company to send us money to come home on—and he said he didn't want me to do that; I said that there was nothing else to do, that the men wanted their money; I didn't dare go back without money to pay them, or money to take them home on.

Q. What was finally agreed between you and Mr. Warren?

Mr. COBB.—I think that is wholly irrelevant and immaterial—all of this was.

(Testimony of F. A. Cloudy.)

Mr. HELSELL.—It is purely preliminary, to show how they financed it.

The COURT.—What did you do with reference to it?

Q. (By Mr. HELSELL.) What did you do toward getting any money finally to pay your men?

A. Well, Mr. Warren said that he didn't want me to leave there and he would make arrangements and have Mr. Tromble sign up when he came back, so he told me that he would honor that check.

Q. What check?

A. That I would make for that amount.

The COURT.—That he would what?

The WITNESS.—If I would write a check and sign it Craig Lumber Company by F. A. Cloudy, that he would honor it and transfer that to Hills-Corbet Company's credit for me to check against and sign Hills-Corbet Company, by F. A. Cloudy.

Q. So what did you do in the way of opening an account there? A. Well, that is what I did.

Q. Opened an account in the name of Hills-Corbet Company? A. Yes, sir.

Q. In the Bank of Wrangell? A. Yes, sir.

Q. At Wrangell? A. At Wrangell; yes, sir.

Q. And deposited in your account a check drawn by you, signed [115—41] Craig Lumber Company, by F. A. Cloudy? A. Yes, sir.

Q. For how much? A. \$3,500.00.

Q. And then you paid your men off by drawing checks of what kind? How did you sign your checks that you paid the men off with?

(Testimony of F. A. Cloudy.)

A. Hills-Corbet Company, by F. A. Cloudy.

Q. Now, you kept a series of check-books, did you not? A. Yes, sir.

Mr. HELSELL.—Have you those stubs, Mr. Cobb?

Mr. COBB.—Here they are.

The COURT.—Let me understand right here—I understand you to say that the bank said if you would open an account in the name of Hills-Corbet Company and deposit a check signed Craig Lumber Company by you, that they would put that amount of money to the credit of Hills-Corbet Company and that you then paid your men out of the money that they put to your credit?

The WITNESS.—Yes, sir.

The COURT.—Is that money being sued for?

Mr. HELSELL.—No; this is simply for the purpose of arriving at the total amount of labor which we expended, as preliminary.

The COURT.—You admit that amount of money has been paid you?

Mr. HELSELL.—Well, the way we got at it is to simply show the amount we expended, including the \$10,500 which Mr. Cobb talks about, and some more in the way of overdrafts.

The COURT.—Do I understand that you give the Craig Lumber Company credit for the amount of money that was deposited to your credit?

Mr. HELSELL.—No, because out of these checks we ran the Craig Lumber Company as well as our own business, and so the only way we can find out

(Testimony of F. A. Cloudy.)

how much they should charge to us is to pick out of these checks the labor which was applicable to our contract—in other words, these four stub-books represent all of his checks that he drew. Now, those represent a large amount of the Craig Lumber Company business, and also a large amount of Hills-Corbet business. He ran everything—he had to run the [116—42] bunkhouse—he had to do things which had no relation to our work, and was in sort of a dual capacity; and so the total amount of the checks in this check-book represent two forms of expenditure, for the Hills-Corbet Company and for the Craig Lumber Company, and the only way we can get at the amount which should be charged to us is to pick out of these checks the labor that should be charged to the Hills-Corbet Company.

The COURT.—Yes; but what I am trying to get at is whether or not in casting your account you gave the Craig Lumber Company credit for the amount of money that the bank placed to the credit of the Hills-Corbet Company.

Mr. HELSELL.—We do not on our books because a lot of that did not concern the Hills-Corbet Company at all, and if we did we would have to charge it back again.

The COURT.—But I mean in making your claim against the Craig Lumber Company, does it include that \$6,500 that the Craig Lumber Company—

Mr. COBB.—\$10,500.

(Testimony of F. A. Cloudy.)

The COURT.—How much money did the bank put to the credit of the Craig Lumber Company?

The WITNESS.—The first check was for \$3,500—that was one of the checks that Tromble gave me; the second check was one I drew for \$3,500, and I think that I drew the third check for \$3,500.

Mr. HELSELL.—The Court wants an explanation from me as to how we carried these amounts on our books?

The COURT.—I am not talking about your books—I am talking about the claim you are making here. Does your claim include that \$10,500—are you charging them up with that in your suit?

Mr. HELSELL.—We are not charging them with it.

The COURT.—You are not suing to get that back?

Mr. HELSELL.—No—all we are doing is crediting them with part of it.

The COURT.—Very well.

Q. (By Mr. HELSELL.) Now, I show you four stub-books and ask you what those are?

A. Those are stubs of checks—stub-books. [117—43]

Q. Were they kept by you? A. Yes, sir.

Q. Stubs of check-books kept by you?

A. Yes, sir.

Q. What expenditures do they cover?

A. All the checks that I wrote for labor and other expenditures for the Craig Lumber Company.

Q. That represents all the checks you wrote in

(Testimony of F. A. Cloudy.)

payment of anything? A. I think so; yes.

Q. And they were all drawn on the Bank of Wrangell, were they? A. Yes, sir.

Q. Are there also included here checks payable to the Craig Lumber Company's account?

A. Yes, sir.

Mr. COBB.—I object to your leading the witness constantly.

The COURT.—I do not think it is viciously leading, Mr. Cobb.

Mr. COBB.—Let him state what they were drawn for.

The COURT.—He couldn't do that without taking each check out and asking about each one specifically.

Q. Did you pay out of these check-books all expenses of running the boarding-house? A. I did.

Q. All of the expenses of the Craig Lumber Company? A. I did.

Q. Now, you refer to a crew of the men of the Craig Lumber Company; what were they doing?

A. They were clearing land for bunkhouse locations.

Q. Did you superintend that work, too?

A. I did.

Q. And keep the time of that work? A. I did.

Q. And pay that? A. I did.

Q. And pay it with Hills-Corbet checks?

A. I did. [118—44]

Q. Sign Hills-Corbet Company's name?

A. Yes, sir.

(Testimony of F. A. Cloudy.)

Mr. HELSELL.—I offer these in evidence.

Mr. COBB.—No objection.

(Whereupon said check-book stubs were received in evidence and marked Plaintiff's Exhibit "M.")

Q. Now, I notice, Mr. Cloudy, that you have marked on the stubs of some of these checks "Craig Lumber Company"—what does that mean?

A. That was checks signed Craig Lumber Company and not Hills-Corbet Company.

Q. Was it signed by you "Craig Lumber Company"? A. Craig Lumber Company; yes, sir.

Q. Did Mr. Warren honor checks signed by you "Craig Lumber Company"? A. He did.

Q. (By Mr. COBB.) Are those canceled checks returned to you? A. Yes, sir.

Mr. COBB.—Have you got them?

Mr. HELSELL.—We have some of them, Mr. Cobb,—I don't know whether we have them all.

Mr. COBB.—I would like to see them—this is not the best evidence.

Mr. HELSELL.—It is just as good as the check.

The COURT.—Mr. Cloudy, did you mark the stub of every check that you signed "Craig Lumber Company"—did you mark that on the stub?

A. Yes, sir.

The COURT.—Then, if a person goes through these stubs and sees on the stubs "Craig Lumber Company," that means—

The WITNESS.—That the check was made out—

The COURT.—And that is all that you did?

The WITNESS.—Yes, sir.

(Testimony of F. A. Cloudy.)

The COURT.—And everything else in these is signed—

The WITNESS.—Hills-Corbet Company.

The COURT.—If there is no designation on the stub the checks were signed “Hills-Corbet Company”? [119—45]

The WITNESS.—Yes, sir.

Q. (By Mr. HELSELL.) Now, I notice after the first few checks you do not sign “Craig Lumber Company” on the stub at all—why was that?

A. Mr. Tromble said they had no credit there, and asked me not to write any more checks because they were returning them.

Q. Who did?

A. Mr. Tromble, of the Craig Lumber Company.

Q. They were returning them? A. Yes, sir.

Q. So thereafter did you pay the Craig Lumber Company bills with the Hills-Corbet checks?

A. Yes, sir.

Q. The bunkhouse expenses, and all?

A. Yes, sir.

Q. And sign them Hills-Corbet Company?

A. Signed them Hills-Corbet Company; yes, sir.

Q. Now, you have marked on these stubs “not on contract Hills-Corbet Company”—under what circumstances did you make that notation on your checks?

A. Those checks marked “not on contract” were given in payment for labor that was aside from anything connected with the sawmill or sawmill

(Testimony of F. A. Cloudy.)

building and men who were not Hills-Corbet Company men.

Q. Just give the Judge an illustration of what you marked "not on contract."

A. Where a man who was not a Hills-Corbet man was working on extra work and not on Hills-Corbet work.

Q. For instance, what kind of work?

A. Clearing land, one of the checks is for, and the stub therefor was marked "not on contract."

Q. Now, state to the Judge,—and let me call your attention again, you have other checks that you have marked "on contract Hills-Corbet Company"—now state to the Judge under what circumstances you would write that on the stub. [120—46]

A. Where I paid a man off who was a Hills-Corbet man working on the mill, whether it was extra or on contract, I marked it "on contract."

Q. Why did you mark all labor on the mill "contract"?

A. Because they were Hills-Corbet men, and as I understand the contract, according to the terms of it, Hills-Corbet is to receive 10 per cent on labor.

Q. So all the Hills-Corbet men who worked on the mill and were paid by check were marked "on contract"?

A. Yes, sir.

Q. And that was regardless of whether it was extra work or on contract work?

A. Yes, sir.

Q. In other words, we read over in a list of labor, for instance "cutting wood for cookhouse" etc. yesterday, do you remember?

A. Yes, sir.

(Testimony of F. A. Cloudy.)

Q. Was that all paid by checks of the Hills-Corbet Company which were marked "on contract"?

A. It was because they were Hills-Corbet men.

Q. Regardless of whether in your opinion it should be counted in on the contract price or not?

A. Because they were Hills-Corbet men, yes, sir.

Q. Then, showing you the time represented by Plaintiff's Exhibit "J," when those men were paid they were paid with the Hills-Corbet Company check marked "on contract"? A. Yes, sir.

Q. For the whole time they put in?

A. Yes, sir.

Q. Whether it was cutting wood or anything else?

A. Yes, sir.

Q. Simply because they were one of your men?

A. Yes, sir.

Q. That is right? A. Yes, sir.

Q. I show you Plaintiff's Exhibit "K," the time-book showing the [121—47] time for January, February, March and April, and I ask you whether all of the time shown on that book, regardless of what it was on, was paid for by checks marked "on contract." A. Yes, sir.

Q. About when did you get your work completed down there?

A. The major part of it was completed—the saw-mill started the 26th of April and operated by the company from the 1st of May; the planing-mill wasn't completed until about July,—that is, all of the work wasn't completed.

(Testimony of F. A. Cloudy.)

Q. How much of a crew did you keep around there during May and June? A. No crew but myself.

Q. Nobody but yourself? A. No, sir.

Q. And the rest of it was finished—the planing-mill was finished about July, you say?

A. Yes, sir.

Mr. HELSELL.—I think, if the Court please, that I will not offer my rebuttal now, but I will wait and see what the defense puts in and then put it in in regular order.

The COURT.—Are you through with this witness?

Mr. HELSEL.—Yes, on direct; take the witness.

Cross-examination.

(By Mr. COBB.)

Q. Mr. Cloudy, you stated that the first deposit made to the credit of the Hills-Corbet Company in the Bank of Wrangell was a check drawn by you?

A. I explained that to the Judge. When the Judge asked me I told him it was the first check drawn by Mr. Tromble that had been handed me—that was signed by Mr. Tromble and I filled it out; then I wrote the second check for \$3,500.00, and the third check also.

Q. How was the second signed?

A. Craig Lumber Company.

Q. By whom? A. F. A. Cloudy. [122—48]

Q. And the second check? A. Yes, sir.

Q. I hand you a check here dated January 5, 1918, and ask you if that is the first check that you received? A. No, I think that was the second.

(Testimony of F. A. Cloudy.)

Q. You think that was the second,—you didn't get a third, did you?

A. I got three. I am not sure—

Q. I hand you a check that was paid by the bank on January 17th—that was put to the credit of the Hills-Corbet Company? A. Yes; that is the first.

Q. And charged to the Craig Lumber Company—Craig Lumber Company's money that paid it?

A. Yes, sir.

Q. I hand you one dated January 24th and ask you if that is the second check that you got?

A. Yes, sir; that is the second check, January 24th.

Q. That was signed by you and paid by the bank?

A. Yes, sir.

Q. Out of the Craig Lumber Company's money, of course? A. Yes, sir.

Q. Now, the third one—

A. No, I never saw that one.

Q. You never saw that? A. I never saw that.

Q. You knew there was \$10,500 put to your credit?

A. Yes, sir; I saw so from the bank statement.

Q. You saw that from the bank statement?

A. Yes, sir.

Q. But this was apparently put in there without being endorsed, and put to their credit?

A. I never saw that check before.

Q. But you know there was \$10,500 altogether put there to your credit? A. Yes, sir. [123—

(Testimony of F. A. Cloudy.)

Mr. COBB.—Now, we offer, in connection with his cross-examination, these three checks.

Mr. HELSELL.—I have no objection to them.

(Whereupon said checks were received in evidence and marked Defendant's Exhibit No. 1.)

Q. Now, that money was furnished you by the Craig Lumber Company on account of the contract to pay the labor and that the Hills-Corbet Company was to be responsible for it? A. Yes, sir.

Q. Did you ever account to the Craig Lumber Company for this money?

A. They had access to my stubs at all times.

Q. I know, but did you ever account to them for it—furnish them a statement of what you had done with this \$10,500?

A. At all times it was right there.

Q. When? A. At all times.

Q. I am asking you, Mr. Cloudy, when you ever gave them an account of what you had done with this \$10,500 they had paid to the Hills-Corbet Company through you as Hills-Corbet's agent, as to what you had done with that money.

A. No, I never gave them a statement.

Q. Never did. Now, then, you checked out on Hills-Corbet's check considerably more money than the \$10,500, didn't you? A. Yes, sir.

Q. Do you know how much more?

A. No, I don't know now.

Q. In other words, when the \$10,500 that the Craig Lumber Company had furnished you had all been checked out you continued to draw checks and

(Testimony of F. A. Cloudy.)

the bank honored them and charged them to the Craig Lumber Company? A. Yes, sir.

Q. And you don't know how much?

A. No, I cannot tell you now.

Q. Cannot tell now. Before I get to that, this machinery that was shipped up there, did you receive it? [124—50] A. Yes, sir.

Q. You received the brick and all that stuff that was lost on the dock, did you?

A. No,—what do you mean that I received it?

Q. You were the Hills-Corbet man there to install this mill? A. Yes, I was there to install the mill.

Q. And you were superintending everything?

A. Yes, sir.

Q. Had entire charge of everything?

A. Yes, sir, during Mr. Tromble's absence.

Q. During Mr. Tromble's absence. During what time was Mr. Tromble absent?

A. Most of the time.

Q. Was he there at the time all of this stuff was lost overboard the dock? A. Yes, sir.

Q. What time was that?

A. That was in December.

Q. December?

A. The latter part of December.

Q. Did Mr. Tromble direct that it be put on the dock? A. Yes, sir.

Q. You didn't have anything to do with it only handling it on the dock?

A. If I had, I would not have unloaded it all on the dock.

(Testimony of F. A. Cloudy.)

Q. I am asking you if you did. A. No.

Q. You hadn't delivered it to the Craig Lumber Company at that time?

A. I had nothing to do with the delivering of it.

Q. Did you represent the Hills-Corbet Company?

A. I was there to install it—I wasn't there to receive it.

Q. You were there to install it,—you couldn't install it without receiving it, could you?

A. The Craig Lumber Company were to receive it. [125—51]

Q. Oh, the Craig Lumber Company were to receive it? A. Certainly.

Q. And then turn it back to you to install?

A. I think so.

Q. That is the way you understood it?

A. Yes, sir.

Q. What did they receive and turn back to you for the purpose of installation?

A. Why, all of it,—all of the machinery they didn't lose.

Q. Who received it when Mr. Tromble wasn't there? A. I did.

Q. You did, and you say he was gone most of the time? A. Yes, sir.

Q. When you got there to begin this work of installation, what time did you first reach there, Mr. Cloudy? A. Second of December, 1917.

Q. The 2d of December,—who did you find there?

A. Mr. Tromble.

Q. Who else? A. Quite a number of people.

(Testimony of F. A. Cloudy.)

Q. Did the Craig Lumber Company have a crew of men there at that time? A. They did not.

Q. No employees there at all?

A. None connected with the mill.

Q. You brought a crew of men up with you?

A. Yes, sir.

Q. They were all employees of the Craig Lumber Company,—I mean of the Hills-Corbet Company?

A. Yes, sir.

Q. How long before the Craig Lumber Company had any men employed there?

A. Not until they took the mill over.

Q. When was that?

A. They had a donkey crew that had been doing some logging for them and came in and were doing some clearing. [126—52]

Q. I am talking about their work on the mill proper. A. They had no men there.

Q. They had no men there at all. You didn't pay the donkey crew, did you?

A. When they came into the yard there, clearing the land, I did, yes.

Q. That is when you hired them?

A. No, I didn't hire them; they were there already hired, the donkey crew was.

Q. When did they come?

A. Some time in December—just before Christmas.

Q. How many of those men were there?

A. Oh, varied from 4 to 6.

Q. Who varied it? A. Varied themselves.

(Testimony of F. A. Cloudy.)

Q. Who hired and discharged them?

A. The Craig Lumber Company hired, and if there was any to be discharged I suppose it was up to me to discharge, but I didn't discharge any.

Q. Who was hired by the Craig Lumber Company? Tell me those men's names.

A. Some of them,—I cannot recall all of them now. Harry Nailor for one,—I don't recall the names.

Q. They varied from four to six, you say?

A. Yes, sir.

Q. How many men did you have working for Hills-Corbet Company?

A. 17 to 18, including myself.

Q. How long did these men that you say varied from four to six, continue to work for the Craig Lumber Company?

A. Oh, I cannot tell you without looking at the time-book.

Q. Cannot tell. Now, then, what did you do about taking care of your men during the time you were installing the mill with reference to board and lodging? Who provided that—did you?

A. The Craig Lumber Company.

Q. The Craig Lumber Company—did you give them any credit for that, as agent of the Hills-Corbet Company? [127—53] A. Why, no.

Q. That was a necessary expense of installation, wasn't it,—wasn't that a necessary expense?

Mr. HELSELL.—I object—those questions are purely argumentative, and it is not proper cross-

(Testimony of F. A. Cloudy.)

examination, and I object to it on that ground. I have no objection to his going into the question of board, but when he asks if it was a necessary cost of installation, that is purely argumentative.

The COURT.—I think he may answer. I want to get to the bottom of it.

The WITNESS.—Repeat the question, please.

Q. The board and keep of the men that they were working for the Hills-Corbet Company was a necessary expense of that installation, wasn't it?

A. Why, I consider it a necessary expense; yes.

Q. Did you pay that? A. I did not.

Q. That board and keep entered into the cost of the erection and installation of the mill under the contract?

A. I don't know whether it did or not.

Mr. HELSELL.—Those are matters to argue before the Court.

Mr. COBB.—I want to get the facts before the Court so I can argue them.

Q. In other words, what I want you to tell the Court, Mr. Cloudy, you couldn't have installed that mill and put up the buildings that were called for in that contract without boarding the men, could you?

A. Not without some way of boarding them; no.

Q. Without their being boarded, then?

A. No.

Q. You described on yesterday certain changes that were made, you say, from the plans attached to the contract. Of the work you actually did,—for

(Testimony of F. A. Cloudy.)

instance, elevating the roof, did you charge as extras the entire charge of putting the roof on as elevated?

Mr. HELSELL.—I object unless he says what he means by charging as extras. Does he mean the Hills-Corbet Company charged as extra, [128—54] or did he charge as extra?

Mr. COBB.—He was managing the whole thing—never asked Hills-Corbet Company anything about it.

Mr. HELSELL.—Charged where? On whose books?

The COURT.—I understand the question to be whether or not the entire cost of the roofing is in what is delineated as extras, or whether it comes under the contract.

Mr. HELSELL.—If he means by that on the check-books, I have no objection to his asking that, but he doesn't say that.

Mr. COBB.—That is what I am getting at.

Q. Now, the entire cost of the work done on the roof as changed, did you mark your checks,—you paid that by checks, did you?

A. I paid that by checks; yes, sir.

Q. Did you mark all of those “not on contract,” or did you mark them “on contract”?

A. They are all marked “on contract” wherever a man worked for Hills-Corbet on the mill.

Q. On the mill, regardless of changes?

A. Or anywhere else; those checks were marked “on the contract,” regardless of changes; yes.

(Testimony of F. A. Cloudy.)

Q. One other question or two along those lines. I will ask you something about the foundations of your engines and boilers. Is it possible to install an engine in a sawmill, and sawmill machinery, without a foundation? A. No.

Q. That was part of the installation, then?

A. Why, yes; necessary for installation.

Q. Impossible to put a big heavy boiler and sawmill machinery on a wooden floor, on piles?

A. No, it is not impossible.

Q. To make it run, I mean? A. Well—

Q. To properly install it,—you know what I mean. Can you answer the question?

A. State that question again, please. [129—55]

Q. I say to properly install sawmill machinery, boilers, etc., you have got to have a foundation,—something more than an ordinary wooden floor, haven't you? A. No, not necessarily.

Q. Not necessarily? A. No.

Q. Why did you put in the foundation, then?

A. Because there was no foundation there.

Q. There was a floor there, wasn't there?

A. Not in all cases; no.

Q. Wasn't there in this case? A. No.

Q. No floor at all?

A. Not in all cases—I mean about different parts of the work; there was no floor on that space covered by the boiler-house; there was no floor on all of the space covered by the planing mill addition.

Q. That was on the solid ground?

A. Partly, yes.

(Testimony of F. A. Cloudy.)

Q. And you put in a foundation there for the installation of the boilers and machinery?

A. Yes, sir.

Q. A cement foundation. That was the proper way to construct it—proper way to install it?

A. Yes,—there was two ways; use wooden foundations or use concrete foundations.

Q. And the concrete foundation is the first-class way of doing it? A. Yes, sir.

Q. And the proper way of doing it?

A. Not exactly the proper way. Wood foundations are just as good in places.

Q. About this belting you have talked about in the extras there, you don't know whether there is any of that belting there at all now or not, do you? A. Yes. [130—56]

Q. How much of it?

A. I don't know just how much of it there is, but there is a considerable amount—practically all that was left there was there some months ago.

Q. That is, the extra is left. The other belting that was furnished under the contract is worn out and gone, isn't it? A. Oh, no.

Q. How much of it is not?

A. Practically none of it worn out.

Q. Do you know that?

A. Yes, I think I do.

Q. You think you do. When did you see it last?

A. The 2d of March.

Q. The second of March? A. Yes.

Q. Of this year? A. Yes, sir.

(Testimony of F. A. Cloudy.)

Q. Did you go through the mill and take a look at it? A. Yes, sir.

Q. Now, the only way you can segregate the belting that they have asked you about as extras here from the belting that was furnished under the contract is by a computation of the amount required? A. By what?

Q. By a computation of the amount required in the first instance to equip the mill? A. Yes, sir.

Q. That is the only way you have of segregating it? A. Yes, sir.

Q. Telling how much of it is one and how much of it is the other? A. Yes, sir.

Q. How many dynamos are there down there?

A. One installed and one in the bay.

Q. One installed and one in the bay? A. Yes.

Q. There never was but two shipped up? [131—57] A. That is all.

Q. And the first one that was shipped up under the contract went in the bay, and the next one is the one that they have charged here as an extra, is it?

A. I don't know which one you are talking about. The second one,—I don't know whether the second one was charged by error, or whether it is the one that is really installed there now.

Q. One went in the bay?

A. One went in the bay, and one is installed.

Q. As a matter of fact, they have three charged and they didn't ship up but two?

Mr. HELSELL.—Our bill of particulars recog-

(Testimony of F. A. Cloudy.)

nizes that mistake and changes that to two.

Mr. COBB.—I didn't notice that. The original claimed there were three shipped up.

Q. When you got that machinery up there which was shipped up under the contract, you say, what did you do with it? A. Installed it in the mill.

Q. Put it in the building and used it in constructing this sawmill? A. Yes, sir.

Q. And it was fastened into the building as a sawmill usually is? A. Yes, sir.

Q. And it was in that condition when you left it? A. Yes, sir.

Q. And you did that as representative of the Hills-Corbet Company? A. Yes, sir.

Q. The boilers were fastened down in cement foundations?

A. No; the boilers are suspended from an "I" beam steel frame gallows and enclosed in a brick furnace.

Q. What does the brick furnace rest on?

A. On a rock fill.

Q. On a rock fill? A. Foundation.

Q. And these beams are fastened into the building above? A. No. [132—58]

Q. You say it is suspended from "I" beams?

A. Yes, sir.

Q. How are the "I" beams held in place?

A. They have a footing on the foundation below.

Q. A footing on the foundation below?

A. Yes, sir.

Q. Fastened very firmly? A. Yes, sir.

(Testimony of F. A. Cloudy.)

Q. How is your sawmill installed?

Mr. HELSELL.—Sawmill?

Mr. COBB.—The saws in it.

The WITNESS.—The same as in any sawmill.

Q. The same as in any sawmill—it is fastened into the building, is it? A. Fastened—

Mr. HELSELL.—I think you ought to call the Court's attention to some machine you are talking about instead of talking generally. Ask him about the various machines.

Q. Just tell the Court generally how you install a sawmill and how you installed this one.

Mr. HELSELL.—I certainly object to the blanket nature of that question, how you install a sawmill. We only put up certain kinds of machinery, and he is trying to prove by this witness now one of his affirmative offenses, that this is a fixture.

The COURT.—I know, Mr. Helsell; but you brought out of this witness that he installed it. Now, Mr. Cobb is asking him on cross-examination, what do you mean by installing it—what did you do to install it?

Mr. HELSELL.—He is asking, what do you mean by installing a sawmill. My main point is that we install only certain forms of machinery.

The COURT.—Yes, the question is too broad. Confine it to this particular machinery,—how did you install this particular machinery—what did you do with it?

Q. (By Mr. COBB.) You say you installed this sawmill and machinery, [133—59] and turned it

(Testimony of F. A. Cloudy.)

over complete? A. Yes, sir.

Q. How did you install this Berlin resaw?

A. That is set up on the floor, and its base screwed down to the floor with lag screws.

Q. Fastened very firmly?

Mr. HELSELL.—He stated how it is fastened. You can put your own construction on it.

Mr. COBB.—I have a right to ask him.

Q. It is fastened very firmly, is it?

A. Well, so it cannot walk around the floor.

Q. Well, now, that 16x22 Atlas engine complete with catalogue fittings; what did you do with that?

A. That is set up on a concrete foundation.

Q. Fastened into the concrete?

A. Not fastened into the concrete—fastened to the concrete foundation.

Q. That is what I mean, fastened to the concrete foundation? A. Yes, sir.

Q. How is it fastened to it? A. By bolts.

Q. Bolts anchored into it?

A. Anchor bolts set in concrete.

Q. One Jewel engine—what did you do with that?

A. The No. 3 Jewel engine is in the filing-room and machine-shop combined, setting on a block of wood and the block is bolted to the floor and the engine bolted to the block with lag screws.

Q. The next one—what did you do with the Frost engine, 18x20?

A. The Frost engine is the engine that drives the head-saw; that is fastened on a concrete foundation by anchor bolts in the concrete.

(Testimony of F. A. Cloudy.)

Q. What did you do with the hand-saw gummer?

A. The hand-saw gummer is in the filing-room setting on the floor—screwed to the floor with wood screws.

Q. What did you do with the 16-inch lathe?
[134—60]

A. The iron lathe is sitting on that same floor—machine-shop and filing-room combined, and is not fastened to the floor.

Q. Just sitting there? A. Just sitting there.

Q. Part of that mill equipment, is it?

A. Yes, I think so.

Q. What does “dry kiln equipment” consist of?

A. Dry kiln equipment consists of pipe, headers, posts for track, spreader beams for the track, lateral braces, track, rail, fish-plates for joining the rails, and dry-kiln trucks.

Q. Now, what did you do with that equipment in reference to installing the dry kiln?

A. The dry kiln is installed.

Q. How did you install it—what did you do with this equipment that was shipped up?

A. The dry-kiln equipment?

Q. Yes.

A. Installed the pipe into the dry-kiln room.

Q. What does the dry-kiln consist of?

A. The dry-kiln consists of a room.

Q. What dimensions?

A. In that case about 24 feet wide, 12 or 16 feet in height, 104 feet long over all.

Q. In installing it, this equipment that was sent

(Testimony of F. A. Cloudy.)

up here was simply taken and fastened in that room?

A. Set on mudsills within that room, separate from the building.

Q. And the track is laid into it?

A. The track is laying on posts that stand on the foundation—not connected with the building.

Q. Did you ever finish that dry kiln?

A. Didn't hang the doors, no.

Q. Couldn't work it without the doors, could you?

A. They didn't want the doors on at that time.

Q. Now, Mr. Cloudy, you installed all of this machinery in the mill there for the Hills-Corbet Company substantially as you have [135—61] described to the Judge what you have done?

A. Yes, sir.

Q. Now, you have identified and put in evidence here certain time-books that you say discloses whether or not the labor done on these time-books was being done under the contract or otherwise—do they show that?

A. Yes, sir,—they don't show whether the work was done on contract or otherwise, but it shows the work that was actually done?

Q. They show the work that was actually done?

A. Yes, sir.

Q. It doesn't show whether the work was done under the contract or otherwise?

A. No, simply describes the work.

Q. You say that in drawing checks, however, to

(Testimony of F. A. Cloudy.)

pay these men you would mark some of them under contract and some not on contract? A. Yes, sir.

Q. That was done at the time?

A. Yes, sir; at the time of payment—yes.

Q. You did that as agent of the Hills-Corbet Company, with authority to sign their checks?

A. I did that for my own memorandum.

Q. For your own memorandum? A. Yes, sir.

Q. But I say as you drew these checks you paid out this money as agent; authorized to do that as agent of the Hills-Corbet Company?

A. Yes, sir.

Q. Did you use more than four stub-books?

A. I don't think so; no.

Q. And these stub-books that have been introduced here will show the stubs of the checks that you drew? A. I think so.

Q. In disposing of this \$10,500 and part of the overdraft.

A. I think so, with the exception of one counter check, I believe, in Wrangell. [136—62]

Q. What do you mean by a counter check?

A. A check taken from the counter in the bank.

Q. What is that?

A. A check taken from the counter and marked "counter check."

Q. Do you remember what that was for—how much that was? A. \$25, I think.

Q. \$25?

A. Either \$20 or \$25. I might have made a record of it in the stub-book; I don't remember.

(Testimony of F. A. Cloudy.)

Q. Now, check No. 1 that you drew on January 18, 1918, the day after this first \$3,500 check was placed to your credit in the bank of Alaska, that was payable,—just look at that check—that was No. 1 of that series? A. That is the counter check.

Q. That is the counter check?

A. Yes; I made a record of it in the stub-book. The check itself did not come from this book.

Q. You afterwards, though, marked that check on your stubs so you would have a record of it?

A. Yes, sir.

Q. What did you draw that check for?

A. The stub says what it is for.

Q. “F. C. Cloudy for expenses, Craig, Alaska, to Wrangell and return”? A. Yes, sir.

Q. You were at that time in the employ of the Hills-Corbet Company? A. Yes, sir.

Q. And took that trip on their business?

A. No.

Q. What was your business?

A. To see the Bank of Wrangell about making arrangements to pay my men.

Q. Men that you had employed for the Hills-Corbet Company? A. Yes, sir.

Q. Hills-Corbet business then?

A. No, Craig Lumber Company business because the Craig Lumber Company [137—63] had failed to make arrangements to pay my men, and I had to go to Wrangell to make such arrangements.

Q. You had to go there to make such arrangements? A. Yes, sir.

(Testimony of F. A. Cloudy.)

Q. Then this check you charged to the Craig Lumber Company?

A. Yes; I think that check is on the contract.

Q. How is that? A. On contract, I think.

Q. (By Mr. HELSELL.) Did you so mark it, Mr. Cloudy? A. I think so.

Q. (By Mr. COBB.) You haven't marked it either way. These checks all speak for themselves, do they—these memoranda?

A. Not entirely; no.

Q. In what respect do they not?

A. They simply don't show the kind of work in which they were in payment.

Q. Take check No. 3 there, to John Scott, dated January 21, 1918, total amount of check \$89.40, you have got "not on contract \$44.40" and "on contract \$45.00"—is that correct?

A. Yes, sir—that was put on there later.

Q. Did you put that on there?

A. Yes, sir; when I started to segregate the labor and put the labor in on contract and on extras.

Q. Did you do that with all of them?

A. No, not all of them.

Q. Why not?

A. Because the stubs were taken away from me and I didn't have a chance to segregate the work.

Q. Who took them away from you?

A. Mr. Henry Shattuck borrowed them from my wife—said he would return them in an hour or so.

Q. When did you make that memorandum?

A. About June or July—somewhere in there,—

(Testimony of F. A. Cloudy.)

I was making my final reports to the Hills-Corbet Company.

Q. How far did you get along before Mr. Shattuck took them away from you? [138—64]

A. I don't remember without looking over it how far I got along.

Q. Except where these changes like that have been made, though, there are other memoranda at the time you drew the check,—I mean you would fill out these stubs at the time you were writing the check? A. Yes.

Q. You never made any report or furnished any statement, I believe you say, however, to the Craig Lumber Company of what you did with this \$10,500 represented by these three checks?

A. No, I never made any statement to them.

Q. Nor of what you did with the money that you drew out there on Hills-Corbet checks as overdraft against the Craig Lumber Company—never made any report of that? A. No.

Q. And you don't know how much that was?

A. No.

Mr. COBB.—That is all.

Mr. MARSHALL.—If the Court please, may I ask him a question? I am not really on the record in this case at all, but I do represent the bank?

The COURT.—Yes, certainly you may ask him a question.

(Questions by Mr. MARSHALL.)

Q. Mr. Cloudy, when you went up there did you go direct to Craig, or where did you go, from

(Testimony of F. A. Cloudy.)

Seattle? A. From Seattle direct to Craig.

Q. On what boat? A. "Santa Ana."

Q. And after you got there Mr. Tromble left in about five days, you said?

A. I cannot tell exactly the number of days—some days after—about the first part of December.

Q. And you got there the first part of December—on the second?

A. I got there the second of December.

Q. Then he didn't come back for a long time?
[139—65]

A. He was gone for quite a while,—I cannot tell you the exact number of days he was gone.

Q. Wasn't it during the greater part of the time you were engaged in the work there?

A. That he was gone?

Q. Yes.

A. Yes, pretty much until March. From March on he was there.

Q. But from early in December until March he was not there?

A. Not much of the time, no. He made two trips—

Q. Did this "Santa Ana," the boat you went up on—did she take the mill up also? A. No, sir.

Q. When did that arrive?

A. The engines and the dry-kiln equipment, the resaw—

Q. I don't care for the particulars.

A. I think that was already there.

Q. That was already there when you got there?

(Testimony of F. A. Cloudy.)

A. Yes, sir.

Q. Where was it?

A. Part of it was stored in the old mill shed and some of it yet on the dock.

Q. And what time was it that this dock went down with the material?

A. That was in,—just a few days before Mr. Tromble left. It was early in December. The boat arrived there, I think, in a week or ten days after we arrived, with the brick. I am not certain about the date now without looking it up.

Q. Well, you had entire charge of the cargo arriving, and distributing it for the purpose of erecting it subsequently, didn't you?

A. No; Mr. Tromble of the Craig Lumber Company asked me to use my men for that purpose as he had no men of his own.

Q. It was landed right on the dock, wasn't it, practically where it was to be installed?

A. No.

Q. All that was needed to be done was to be put in position? A. No. [140—66]

Q. What dock did they land it on?

A. On the mill company dock.

Q. It was a small dock—it was almost like moving it into position, was it not?

A. Oh, no; there is a long, narrow approach to the dock.

Q. Was the dock then the way it is now?

A. Yes, sir—no, there has been an addition between the mill proper and the dock, built in on the

(Testimony of F. A. Cloudy.)

east side. That was all open between the sawmill proper and the dock.

Q. Did you at all times while you were there have men working under you who were really employees of the Craig Lumber Company, or only part of the time? A. Only part of the time.

Q. Was that early in the work—the early part of the work, or what part?

A. Well, yes, you might say in the early part, because immediately after Mr. Tromble left, why, it was all left to me, so—

Q. And the men you were using were all men employed by the Hills-Corbet Company?

A. No, not all the men I was using were not employed by the Hills-Corbet Company.

Q. When did you finish with the crew the Craig Lumber Company had and do the work entirely with your own men?

A. I didn't work any but the Hills-Corbet Company men on the mill proper, and the other men were working on clearing land for bunkhouses and such at intervals when the weather permitted.

Q. Were they so working throughout the whole time you were there? A. Yes, sir.

Q. Until the mill was completed? A. No.

Q. That work was finished about what time?

A. Let me see—the work of clearing the land for bunkhouses, I think, was finished some time in May; then the erection started—erection of bunkhouses. [141—67]

Q. In March you were paying, for instance, a

(Testimony of F. A. Cloudy.)

man by the name of Kinkaid as cook—was he the cook in the bunkhouse you were running?

A. Yes, sir.

Q. And in that bunkhouse you were feeding mostly the men employed by the Hills-Corbet Company? A. Yes, sir.

Q. And you have marked the checks, “paid to Kinkaid, not on contract”?

A. Yes, sir, because he was not a Hills-Corbet man.

Q. He was not a Hills-Corbet man but he was feeding the Hills-Corbet men?

A. The Hills-Corbet men were eating at that cookhouse; yes.

Q. And it was your opinion that he wasn't a Hills-Corbet man and it wasn't a proper Hills-Corbet expense?

A. And that the Hills-Corbet Company was not entitled to 10 per cent on his labor.

Q. Oh, who was to pay his labor?

A. The Craig Lumber Company.

Q. For maintaining the men of the Hills-Corbet Company while doing the work for them?

A. Yes, sir.

Q. And you made all your charges on that basis, that the Craig Lumber Company had to pay the expenses of conducting this boarding-house for feeding the Hills-Corbet men? A. Yes, sir.

Q. And all the charges of conducting that boarding-house you charged to the Craig Lumber Company? A. Yes, sir.

(Testimony of F. A. Cloudy.)

Q. And all of the extra work which you thought was for the Craig Lumber Company you nevertheless put it on contract because you thought that you had to do that in order to get the 10 per cent for the Hills-Corbet Company? A. Yes, sir.

Q. And you were seeking 10 per cent on work done which was not a part of the contract? [142—68]

A. Yes, sir,—done by Hills-Corbet men?

Q. Yes. A. Yes, sir.

Q. The blue-print that you have offered, did you take that up with you when you went?

A. Yes, sir.

Q. Where was that made? A. In Seattle.

Q. That was made without any previous inspection of the site, or anything of that sort?

A. Not on my part—I never saw the site before I went up; no.

Q. Nor on the part of the man who made the blue-print, so far as you know?

A. Yes, I think Mr. Thurlow for the Hills-Corbet Company had been up there.

Q. He had been up there and prepared the blue-print? A. Yes, sir.

Q. And this is the blue-print as it was attached to the contract at the time of its execution?

A. Yes, sir.

Q. There are some checks here for Mathison at Wrangell for some supplies—those supplies, how did you arrive at the conclusion of whether they were on the contract or not on the contract?

(Testimony of F. A. Cloudy.)

A. If they were for supplies going to the Craig Lumber Company I applied on extra work—they were not on contract.

Q. You didn't write the word "extra" on them at the time the checks were written, apparently—from what information did you put that notation on there?

A. From the bill that was furnished by Mr. Mathison, and where the material was applied.

Q. So that you wrote the checks and sent them in to him, and after they came back—

A. Then I segregated them; yes.

Q. After they came back you determined whether it was a proper charge against the Hills-Corbet Company or the Craig Lumber Company? [143—69]

A. Yes, sir.

Q. And so marked it? A. Yes.

Mr. MARSHALL.—I believe that is all.

(Questions by Mr. COBB.)

Q. I want to ask you one or two other questions I omitted to ask. I see, as an example, on February 7, 1918, you drew check No. 91, to the order of A. Vincente, for \$71.00, as cook, and marked that Craig Lumber Company—who was he cooking for?

A. Craig Lumber Company.

Q. The Craig Lumber Company? A. Yes.

Q. Whose men was he feeding?

A. Feeding Craig Lumber Company and Hills-Corbet men.

Q. What men did the Craig Lumber Company have there at that time?

(Testimony of F. A. Cloudy.)

A. I don't know just how many men they had there without looking it up.

Q. Did they have any the first of February?

A. I think they had some men there, yes.

Q. During January?

A. Yes; they had some men there that were boarding and not doing anything as far as that is concerned.

Q. How many?

A. I cannot tell you exactly.

Q. You stated a little while ago that they had from four to six. A. Yes; that is it.

Q. Not to exceed that. How many men in the month of January did you have that this man was feeding? A. About 17, including myself.

Q. You made no charge then for a cook at all to the Hills-Corbet Company? A. No.

Q. In other words, all the provisions and feed and the labor of preparing it by the cook, the entire support of the Hills-Corbet [144—70] men was paid by the Craig Lumber Company?

A. Yes, sir.

Q. Charged to them? A. Yes.

Mr. COBB.—That is all.

(Questions by Mr. MARSHALL.)

Q. Just one other question. On one of these Mathieson checks you have here "for material on contract, extra"—what do you mean by that? If it was on the contract and an extra at the same time what was the idea in your mind—

A. That applied to the mill.

(Testimony of F. A. Cloudy.)

Q. You simply meant, then, that it was used in the mill? A. In the mill.

Q. And you do not mean it was on the contract? A. Extras.

Q. You do not mean it was on the contract at all?

A. No, sir.

Q. You mean it was some extra expense not embraced in the \$31,125? A. Yes.

Mr. MARSHALL.—That is all.

Redirect Examination.

(By Mr. HELSELL.)

Q. Mr. Cloudy, state to the Court how you came to be running that boarding-house at all.

A. There was no one left there to run it. Mr. Tromble, as explained a while ago, left on a fifteen minute notice, and made no arrangements for the care of my men or anything else.

Q. Whose boarding-house was it?

A. Craig Lumber Company's.

Q. Who started the boarding-house?

A. Craig Lumber Company.

Q. Was any effort made,—was any account kept under the instructions of Mr. Tromble or anyone else as to what the board cost?

A. No. [145—71]

Q. Or any effort made to segregate the board of your men from the board of the Craig Lumber Company men? A. No, sir, none whatever.

Q. Why not? A. I cannot explain why.

Q. Did Mr. Tromble keep any such record?

(Testimony of F. A. Cloudy.)

A. No.

Q. Did he instruct you to keep any such record?

A. No, he did not.

Q. What did he say to you about how your men were to be fed when you brought them up there?

A. He said the mill company would feed the men.

Mr. COBB.—He said the mill company would feed the men?

The WITNESS.—Yes, sir.

Mr. COBB.—That is, at the boarding-house.

The WITNESS.—Yes, sir.

Mr. COBB.—I object to that, if it is offered for the purpose of varying this contract.

The COURT.—It is offered for the purpose of explaining his actions.

Mr. COBB.—Very well, if that is the purpose of it. If it is offered for the purpose of varying the contract—

Mr. HELSELL.—It does not vary any contract.

Mr. COBB.—Yes, it does—it is an attempt to vary it.

Q. (By Mr. HELSELL.) Did you have a conversation with Mr. Tromble before he left Seattle in regard to this board account? A. I did.

Q. What was that conversation?

A. I asked both Mr. Tromble and Mr. Hills as to who was going to pay the men's board. I was hiring the men and the question of board came up, and one of the men asked me, "How about board?" I turned around to Mr. Tromble and Mr. Hills, who were talking at that time, and I said, "Pardon me,

(Testimony of F. A. Cloudy.)

gentlemen; who is going to pay for the board up there. I am hiring these men and I want to know.” Tromble said, “Oh, we take care of the board—we take care of the board.” [146—72]

Mr. COBB.—I make the same objection to that. Under the terms of the contract there is no question but what the Hills-Corbet Company was responsible.

Mr. HELSELL.—Under the contract there is no question raised about the board at all—there is nothing said about the board.

The COURT.—These questions are asked simply to illustrate how things happened to be so mixed up—how it was that Mr. Cloudy was representing both parties about the board—that is what I want to have cleared up. I imagine all these questions will be in that line, and I was going to ask the question myself.

Q. (By Mr. HELSELL.) Now, Mr. Cobb asked you if you had ever made a statement to the Craig Lumber Company of your disbursements,—did they have full access to these check-books of yours?

A. At all times; yes, sir.

Q. Did they use that access?

A. They sure did.

Q. Did they go all over them?

A. They sure did, yes, sir.

Q. And never returned them to you?

A. Borrowed my book ledger we kept and never returned that; borrowed my time slips there—those first sheets—I had a sheet like that for every man

(Testimony of F. A. Cloudy.)

from the time that we arrived until the first of May, and all I was able to recover was that amount. I had each man, when he was paid, sign that sheet the end of the month, and those sheets were never returned, and a number of other memoranda that were not returned.

Q. Calling your attention to check stub No. 10, you have marked total check \$139.05, and you have written in there later, "not on contract \$92.47," have you not? A. Yes, sir.

Q. I understood you to say in answer to Mr. Cobb that you started to segregate all of your checks in that way? A. I did.

Q. And that Mr. Shattuck took them away from you, or got them, anyway, and did not return them to you? [147—73]

A. Borrowed them; yes, sir.

Q. So you did not carry that out throughout your checks? A. No, sir.

Q. But when you did do that, putting two amounts on each stub, that was actually a segregation of what in your opinion should be charged to contract and what should be charged to extras?

A. Yes, sir.

(Whereupon court adjourned until 2 o'clock P. M.)

(Testimony of F. A. Cloudy.)

AFTERNOON SESSION.

March 18, 1920, 2 o'clock P. M.

F. A. CLOUDY on the witness-stand.

Redirect Examination (Cont'd).

(By Mr. HELSELL.)

Q. Mr. Cloudy, when you first came to Craig was the cookhouse already in operation? A. It was.

Q. You had nothing to do with starting it?

A. No.

Q. Or with hiring the original cook that was there? A. No, sir.

Q. When was the first time you ever heard any one connected with the Craig Lumber Company suggest that Hills-Corbet Company was going to be charged with any board?

Mr. COBB.—We object to that as irrelevant and immaterial, when he first heard it.

Mr. HELSELL.—He was there on the ground.

The COURT.—I do not think that is as material as from whom he heard it. I guess that question is merely preliminary—proceed.

Q. When was the first time you heard any suggestion? A. About July.

The COURT.—July 19—

The WITNESS.—1918.

Q. (By Mr. HELSELL.) And from whom did you hear it? A. Henry Shattuck.

Q. Who was Henry Shattuck—what position did he hold? [148—74]

A. I think he was manager of the Craig Lumber

(Testimony of F. A. Cloudy.)

Company following Mr. Tromble.

Q. What statement did he make to you about the board?

A. He just arrived from Seattle and said that he had had a talk with Mr. Corbet and that they entered into a heated argument, and said that Mr. Corbet didn't need to be so cocky, that he could charge them with board if he had so mined to.

Q. If he had so— A. Mined to.

Mr. COBB.—What was that last—I did not understand it.

A. Said he could charge them with board if he had so mined to.

Q. I call your attention to checks Nos. 108 and 109 in your stub-books; what did you do with those two checks? A. What did I do with them?

Q. Yes.

A. This first check was paid to B. F. Book.

Q. What did you do with the checks—to whom did you send them?

A. To Hills-Corbet Company.

Mr. HELSELL.—Those two checks, if the Court please, are two checks which were sent by Mr. Cloudy,—you remember the letter that he wrote enclosing two checks in payment of two invoices, and we have given them credit for those two checks on our bill of particulars. I don't want to be charged twice with that, that is all.

Q. Mr. Cobb has gone into the question with you of how some of these machines were fastened down, and I want to take them up—take up the ones he

(Testimony of F. A. Cloudy.)

mentioned. First, the re-saw—you may state to the Court what it would be necessary to do in order to remove that re-saw from the place where it now stands.

A. Simply take out the lag screws that hold the bed of the re-saw to the floor.

Q. Can it be done without any injury to the building except for the loss of the machine itself?

A. Yes, sir.

Q. And the Atlas engine, how could that be removed? [149—75]

A. By the removal of six nuts from the anchor bolts that bolt it to the foundation.

Q. Then do what?

A. Lift it off the foundation.

Q. Lift it off, and could it be done without any injury to the building itself except the loss of the engine? A. Yes, sir.

Q. And taken out of the building in the same way?

A. Yes, sir.

Q. The same is true of the Frost engine?

A. Yes, sir.

Q. Just take the bolts off and lift it off the foundation? A. Take off the nuts.

Q. Take off the nuts, that is what I meant to say. How about the hand-saw gummer?

A. Unscrew it, that is all.

Mr. COBB.—I don't think it is necessary to waste any time on that. You can take out any fixtures without destroying the building.

(Testimony of F. A. Cloudy.)

The COURT.—It just depends on what your definition of fixtures is.

Mr. COBB.—The Oregon courts hold the rule of fixtures is very liberally applied with reference to mortgagees.

Mr. HELSELL.—Of course this is really in rebuttal of their affirmative defense in which they allege our machinery was attached to the freehold.

The COURT.—I know—proceed.

Q. The gummer—what would you have to do to remove the gummer?

A. It is screwed to the floor.

Q. Just unscrew it? A. Yes, sir.

Q. The iron lathe?

A. That isn't fastened to the floor.

Q. Not fastened at all? A. No, sir.

Q. The dry-kiln equipment, what would you have to do to remove it?

A. Separate the pipe from the header—unjoints the pipe. [150—76]

Q. Just unjoint the pipe? A. Yes, sir.

Q. Is the pipe fastened to anything?

A. Nothing.

Q. Just lying on the foundation?

A. Just lying on the foundation.

Q. All you have to do is to unjoint it and take it out?

A. Yes, sir; disconnect the header from the pipe.

Q. The Coval saw sharpener, what would you have to do to remove that?

The COURT.—I think we could save time to just

(Testimony of F. A. Cloudy.)

ask the one general question about all these machines, if there are any that cannot be removed just state what it is.

Q. Is there any machine there that you installed that cannot be removed by simply taking off the bolts or nuts and taking them out, or unscrewing screws?

A. No.

Q. Can it all be taken out without damaging the building except for the loss of the machinery?

A. Yes, because we put it in there after the building was completed.

Q. How about the boilers—what would you have to do to take those out?

A. Take out a section of the wall that was removable put in there after the building was completed. We had to go ahead with the building, and we had no brick and couldn't brick it in, so we had to leave the boilers outside and went on and completed the building and then we put them in and bricked them in.

Q. What would you have to do to take them out?

A. Remove that section.

Q. I know, but you have some brick around them, haven't you? A. Yes, sir.

Q. What would you have to do to get the boilers out? A. Take down the brick work.

Q. Lift them out?

A. Not lift them. The boilers would simply be moved on the same [151—77] level they now stand on, out on the platform.

Q. You could do that without any damage to the building, could you? A. Yes, sir.

(Testimony of F. A. Cloudy.)

Q. Have you made a computation of the increased area of roof that you actually built by reason of the directions of Mr. Tromble to you to build a complete roof over the whole sawmill? A. Yes, sir.

Q. What percentage of the total roof that you built was the increased area of roof you had to build by reason of Mr. Tromble's change of orders?

A. The increased area, 74.7 per cent of the whole.

Q. In other words, nearly 75 per cent of the work you did on the roof was new work which Mr. Tromble ordered, was it? A. Yes, sir.

Q. I wish you would state what that is.

A. It is a photograph of the west end of the sawmill.

Q. After completion? A. After completion.

Mr. HELSELL.—I offer that in evidence.

Mr. COBB.—I think it is irrelevant and immaterial—just simply encumbering the record.

The COURT.—It simply illustrates his testimony. (Whereupon said photograph was received in evidence and marked Plaintiff's Exhibit "N.")

Q. How much of the roof that you can see in this picture did you construct?

Mr. COBB.—Now, I think that is wholly irrelevant and immaterial, how much he can see that he constructed. They have testified to 74 and a fraction per cent of the total, and now he is asking how much he can see.

The COURT.—The question could have been answered and all this time saved.

(Testimony of F. A. Cloudy.)

Q. How much of the roof that you can see from that picture did you construct?

A. All that is visible on the north side beyond this slope. [152—78]

Q. What do you mean by the north side?

A. This is the north side.

Q. Did you construct that slope to?

A. Yes, but you can only see the edge of it.

Q. Did you construct the south slope to?

A. Yes, sir.

Q. So you constructed that whole roof, did you?

A. Constructed that whole roof.

Q. Over the whole roof?

A. Yes, sir.

Mr. HELSELL.—That is all.

Recross-examination.

(By Mr. COBB.)

Q. In the first place this sawmill, this building that you put up there, was constructed for the purpose of putting this machinery in, wasn't it?

A. Say that again, please.

Q. I say the building that you constructed there was put up for the purpose of installing this machinery in, wasn't it?

A. Yes; but I could have installed the machinery in the building that they had.

Q. I understand, but you made considerable additions to it? A. Yes, sir.

Q. And it was constructed with the view of installing this sawmill in it as planned? A. Yes.

(Testimony of F. A. Cloudy.)

Q. The building then was adopted for the machinery?

A. The building they had there with the addition we were to add was also adopted for the machinery.

Q. I understand that, but I say the changes you made were all adopted for this machinery and planned so the machinery would fit it, wasn't it?

A. No, the changes was made for the purpose of housing box shooks that they intended to make,—extra space that they wanted. [153—79]

Q. And if you were to take all of this machinery out you would have nothing but a shell of a sawmill left?

A. The shell of a sawmill—birch trees, and all of the wood work would be left.

Mr. COBB.—That is all.

Mr. HELSELL.—That is all.

(Witness excused.)

**Testimony of W. W. Corbet, for Petitioner
(Recalled).**

W. W. CORBET, upon being recalled as a witness on behalf of plaintiff, having been previously duly sworn, testified as follows:

Direct Examination.

(By Mr. HELSELL.)

Q. Showing you Plaintiff's Exhibit "K," I will ask you if you took those two exhibits and segregated the various kinds of labor shown in them and computed the amount of time which was expended on each classification of labor. A. I did.

Q. Have you got a statement with you showing

(Testimony of W. W. Corbet.)

certain classifications of labor which you claim to be outside of the contract? A. Yes.

Q. You have taken the time and the rates per hour, have you not? A. Yes.

Q. And computed the totals on the various classifications of labor? A. Yes.

Q. Is that it which you hand me here? A. Yes.

Mr. HELSELL.—I offer this in evidence.

Mr. COBB.—Well, I have no objection to it going in for what it is worth.

(Whereupon said statement was received in evidence and marked Plaintiff's Exhibit "O.")

Q. In one item here, Mr. Corbet, you have "Mill-Roof"—in figuring the amount on the mill roof what amount did you put in the [154—80] total here?

A. I took the proportion of it that was extra.

Q. And you figured that how?

A. By taking the total amount that was expended on the roof, and taking 74.7 per cent of that as being the amount that was extra.

Q. Now, on the question of board, did you know or were you informed by the Craig Lumber Company at any time that they had charged your account with \$1.50 per day for board? A. No.

Mr. COBB.—We object to that as irrelevant and immaterial. That is a question of the construction of the contract.

Mr. HELSELL.—The question of whether we have to pay for it is, but this is an evidentiary matter, whether they ever intended to charge us with it—they

(Testimony of W. W. Corbet.)

would have notified us of the debit some way, or the intention to debit the account with it.

The COURT.—I think it is admissible for what it is worth.

Q. (By Mr. HELSELL.) Did they ever notify you of any charge against you for board?

A. No.

Q. Did you know your men were supposed to pay for board? A. No.

Q. What conversation did you have with Mr. Tromble about board?

Mr. COBB.—We object to that as irrelevant and immaterial, and not admissible for any purpose because it is an attempt to vary the terms of a written contract; and if they are introducing it for the purpose of showing a subsequent oral agreement varying this contract, then it is within the statute of frauds,—and it is not within the pleadings in this case. If they intend to rely upon it to show a waiver of the terms of the contract, then it is without consideration.

Mr. HELSELL.—It is simply offered to show how the parties themselves construed the contract, if the Court please. The contract is silent on the question of board, neither party mentioning it at all, and I am simply offering to show by the mutual conduct of the parties that they construed it as an item which the Craig [155—81] Lumber Company must bear—and intended all the time to bear.

The COURT.—The objection is overruled.

A. While we were discussing the contract in

(Testimony of W. W. Corbet.)

Seattle, at the time the contract was signed—

Q. You are starting to tell now before it was signed?

A. Yes; after we had drawn up the contract.

Mr. COBB.—Then it is not admissible because all the agreements of the parties were afterwards embraced in writing.

The COURT.—How about those matters that are not embraced in the contract?

Mr. COBB.—It is embraced in the contract.

Mr. HELSELL.—There is nothing said about the board in the contract.

Mr. COBB.—The board is a necessary expense, and you guarantee the total cost—

Mr. HELSELL.—If the Court please, the total cost that he refers to is the cost of the things that we were supposed to do.

Mr. COBB.—And among other things you were to furnish the labor for this work, and you cannot furnish labor without boarding it.

The WITNESS.—And it came up then, the question of who was to board the men, as to who were to pay them, came up, and we asked Mr. Tromble about conditions of board up there, how we could manage that, and he said not to worry about that, that the Craig Lumber Company would take care of the board—they had a boarding-house there and would assume that expense.

Q. Did you have more than one conversation along that line?

(Testimony of W. W. Corbet.)

A. Yes; we talked of that at least three times that I know of.

Q. Do you remember Mr. Cloudy testifying to hearing one conversation?

A. That was one of the times.

Q. Was that before or after the signing of the contract?

A. That was before it was signed.

Q. Was there any conversation after it was signed? A. Yes.

Mr. HELSELL.—That is all.

Mr. COBB.—In order to preserve the record on it—I do not know [156—82] whether the record shows it or not—I move to strike out all the conversations with Mr. Tromble about taking care of the board, because it is incompetent, irrelevant and immaterial for any purpose.

The COURT.—The motion is denied.

Mr. COBB.—Exception.

Cross-examination.

(By Mr. COBB.)

Q. I see here in your Exhibit “J” you have charged the Craig Lumber Company with an item of \$49.06 for shoveling snow—do you claim that going up to Alaska in December and January to put in a sawmill—install a sawmill—there was no necessity for your shoveling snow?

A. According to the contract that was to have been done before we went there.

Q. You don't know when that snow fell?

(Testimony of W. W. Corbet.)

A. No, I do not.

Q. And you don't know but what it fell some time after you began your work and took charge of the place, do you? A. I know—

Q. Answer my question. A. No.

Q. Certainly you don't. Wood for cookhouse \$149.02—how much of that wood was for cooking meals for your own employees?

A. I do not know.

Q. You just charged it all to the Craig Lumber Company. I see you have charged them here with \$126.25 for brick from Ravella—what were those brick for? A. For boiler settings.

Mr. HELSELL.—That is for transporting the brick from the ship to the mill site.

Mr. COBB.—You don't say so.

Mr. HELSELL.—Mr. Cloudy testified as to what those terms meant, yesterday.

The COURT.—You mean the brick that were lost by the collapse of [157—83] the dock?

The WITNESS.—That was for taking the brick from the boat and putting them on the dock—both the brick that were lost and the brick that were afterwards sent up.

Q. (By Mr. COBB.) Removing boilers, \$49.10—what were the boilers moved for?

A. To be put in the mill.

Q. To be installed? A. Yes.

Q. Were they the boilers you furnished?

A. Yes.

Q. Where did you move them from?

(Testimony of W. W. Corbet.)

A. From the dock.

Mr. HELSELL.—Mr. Cobb, I might call your attention to the fact that this man was not present on the ground—Mr. Cloudy is the man who is familiar with what the work actually consisted of.

Mr. COBB.—Yes, but I am cross-examining this man on an exhibit you put in on his testimony.

Mr. HELSELL.—I understand, but I want to call your attention to the fact that he was not present at Craig at any of this time.

The COURT.—I understood the witness to testify that the sheet you now hold in your hand is a summary made by him from two other exhibits—he hasn't testified that he knew anything about the truth or falsity of those exhibits, but he has testified that that is a summary of what is contained in those exhibits. I did not understand him to testify that he knew the particularities of his own knowledge of those exhibits.

Mr. COBB.—Well, I think I have a right on cross-examination to show the worthlessness of this exhibit as an evidentiary value.

The WITNESS.—This amounts to nothing more than his opinion of what he is chargeable with.

The COURT.—That is what he said at the start.

Mr. COBB.—If that is understood I do not care to cross-examine him on it any further. The fact of it is that it has no evidentiary value that I can see. [158—84]

The COURT.—The only value that has, of course, is the value that any man's testimony would have

(Testimony of W. W. Corbet.)

when he testified that he had examined the records and found something.

Mr. COBB.—I better, perhaps, examine him a little further on it then.

Q. You say these figures you got from a segregation of the figures furnished you by Mr. Cloudy?

A. Yes.

Q. Did you follow his check memoranda?

A. I followed his time-books.

Q. How is that? A. No, I did not.

Q. You did not follow them—you paid no attention to the money that had been furnished to the Hills-Corbet Company on his account, or how he disbursed that? A. No.

Q. There is one other question I forgot to ask you yesterday, and I will ask you that now. Under your contract with the Craig Lumber Company they were to pay you 50 per cent of these invoice prices upon the receipt of the order, were they? A. Yes.

Q. And you stated that on December 8, 1917, they paid you \$4020.44, which was 50 per cent of the order under the contract—that was paid in strict compliance with it, was it?

A. I think that included 50 per cent of one invoice—I mean 100 per cent of one invoice, and 50 per cent of a number of invoices.

Mr. HELSELL.—May I interrupt?

Mr. COBB.—Yes.

Mr. HELSELL.—The payment Mr. Cobb is talking about is the first payment made to you.

(Testimony of W. W. Corbet.)

Mr. CORBET.—That is 50 per cent of the invoices that we sent at that time.

Q. (By Mr. COBB.) And on December 17th there was \$3812.23 paid, that was paid in compliance with the contract? [159—85]

A. Yes; that was the one, I think, that included 100 per cent of one invoice.

Q. And then on February 1st they paid you \$4461.63, that was 50 per cent of the invoices to that date, wasn't it?

A. As I remember it now that was 50 per cent.

Q. How is that?

A. That was 50 per cent of certain invoices—I don't remember just what ones.

Q. And then on February 20th and March 5th there were payments made of \$276.51 and \$361.45 respectively, which was 100 per cent of the invoices?

A. Read those again, please.

Q. On February 20th and March 5th, respectively, \$276.51 and \$361.45, those you testified, as I understood you, were in full payment—

A. In full payment of the bill sent out.

Q. They were small orders? A. Yes.

Q. Now, the next payment, March 18th, was \$5000.00, was that just 50 per cent—

A. That was simply a sum that was paid on account?

Q. Just a payment made upon account?

A. Yes.

Q. As a matter of fact, at that time under the con-

(Testimony of W. W. Corbet.)

tract they owed you more than \$5000, didn't they?

A. Yes.

Q. Did you make any objection to their not living strictly up to the terms of the contract at that time?

A. Yes, we certainly did.

Q. What objections did you make?

A. We wanted more money.

Q. What did you do when you didn't get it?

A. We asked them to get it for us as soon as possible.

Q. They didn't do it, did they? A. No.

Q. What did you do then? [160—86]

A. Kept asking for it.

Q. They didn't make another payment then until July, did they? A. I think not.

Q. And you turned the whole mill over, you say, about May first?

A. It was completed along about that time.

Q. And turned over then?

A. I don't know whether they accepted it or not, but I think so.

Q. And they didn't pay again until July 19th, and only \$1000? A. Yes.

Q. And you accepted that and credited them with it? A. Yes.

Q. And on December 8, 1918, they paid you another thousand dollars, and that was the last payment you say they made? A. Yes.

Q. And you accepted that? A. Yes.

Q. You never asked for a return of this property that you claim you never parted with title to until

(Testimony of W. W. Corbet.)

after the bankruptcy proceedings, did you?

A. Yes; we asked for it while it was still in the hands of a receiver.

Q. It went into the hands of a receiver—that was the first time you asked for it, is it?

A. I think so.

Mr. COBB.—That is all.

The COURT.—How long before the bankruptcy proceedings was it that they went into the hands of a receiver? A. I don't know those dates exactly.

The COURT.—The receiver of the Seattle courts?

A. Yes, sir.

Mr. COBB.—The records of this case I think show that.

The COURT.—Very well.

Mr. HELSELL.—I might ask Mr. Corbet this question—did your petition to the receiver ever come to a hearing at all before the [161—87] bankruptcy— A. No, I think not.

Mr. HELSELL.—It was not heard at all.

A. No.

The COURT.—Did you have the company put in the hands of a receiver? A. No.

The COURT.—The Hills-Corbet Company?

A. No.

The COURT.—I understand you to say that you made a petition to the receiver claiming this property? A. Yes.

The COURT.—I think that ought to be introduced in this case.

Mr. COBB.—That petition?

(Testimony of W. W. Corbet.)

The COURT.—Yes, so the Court can see something about when the claim was made to start with—it is a circumstance.

Mr. HELSELL.—We can obtain that—I didn't realize the Court would consider that.

The COURT.—Is it here?

Mr. HELSELL.—I do not know whether it is here or not. You mean when the Hills-Corbet Company filed their petition? I think I have a copy of the petition in my files.

The COURT.—And the date that was filed?

Mr. HELSELL.—Yes. This seems to be the original petition. I guess maybe it was never actually filed. (To witness:) See if that is the original petition, Mr. Corbet?

The WITNESS.—I think it is.

Mr. HELSELL.—I was not familiar with this case at that time, and I do not know whether this or a copy of it was filed or not, but here is what appears to be a copy of the petition filed with the receiver in Seattle.

The COURT.—How far did the receivership go?

Mr. HELSELL.—It didn't go anywhere, because the bankruptcy interrupted it and assumed jurisdiction—this court assumed jurisdiction and ousted the receivership.

Mr. COBB.—The receiver of the Superior Court of Washington had no [162—88] jurisdiction over property in this jurisdiction.

The COURT.—I know—it would simply be a circumstance.

Mr. HELSELL.—I do not understand exactly the theory of the Court in asking for that.

The COURT.—I do not insist on it at all. I just simply asked so that I could get an idea of how they acted.

Mr. HELSELL.—They asserted their rights.

Mr. COBB.—I think it is competent for that purpose—it is dated the 10th day of March, 1919.

Mr. HELSELL.—Do you want to put it in?

Mr. COBB.—Yes, to illustrate his testimony.

Mr. HELSELL.—I have no objection if he wants to go and show that we prepared such a petition.

(Whereupon said copy was received in evidence and marked Plaintiff's Exhibit "P.")

Mr. COBB.—That is all.

(Witness excused.)

Mr. HELSELL.—I am offering in evidence a certified copy of our contract which was filed with the United States Commissioner, or Recorder at Ketchikan. At that time there was no statute requiring that it be recorded anywhere, but I want to show that we proceeded with diligence, anyway.

Mr. COBB.—I object to that. The original is in. The fact that they filed a certified copy of it down there—there is no statute authorizing or permitting it to be filed—is wholly irrelevant and immaterial.

The COURT.—I think the same purpose would be accomplished if you have somebody testify that it was filed for record on such and such a day,—there is no use to duplicate it by putting the contract in.

Mr. HELSELL.—I just want the record to show

that we filed it for record in Ketchikan.

The COURT.—Are you willing, Mr. Cobb, that the record may show that it was recorded? [163—89]

Mr. COBB.—Filed there for record but not registered as a chattel mortgage.

Mr. HELSELL.—It was recorded April 9, 1918, with W. T. Mahoney, recorder at Ketchikan. All I know is it says it is a true copy of the record in his office. I do not know where he recorded it. The original says it was recorded in Volume 4 Miscellaneous, page 258.

Mr. COBB.—As long as the original shows that there is no use of this at all.

Mr. HELSELL.—All right—I will stick it in my pocket. I also have a certified copy showing we filed it for record in Seattle. Whether that is of any materiality I do not know—in fact I do not think so, but I thought maybe Mr. Cobb might think so. I want to prove that we asserted our rights in every possible way. If the Court will permit me, I will just read the date it was recorded in Seattle.

Mr. COBB.—I think that is wholly immaterial for any purpose. This was an Alaska contract.

Mr. HELSELL.—It was an Alaska contract and the property was to be delivered in Alaska, and I think under the authorities the Alaska laws control.

Mr. COBB.—Having it recorded down there is wholly irrelevant and immaterial for any purpose in this case.

The COURT.—I do not know, I am sure.

Mr. HELSELL.—The property was bought in Seattle and shipped to Alaska. I will just file it.

The COURT.—If it is immaterial, Mr. Cobb, it cannot hurt anybody; and if it is material they are entitled to it.

(Whereupon said certified copy was received in evidence and marked Plaintiff's Exhibit "Q.")

Plaintiff rests. [164—90]

DEFENSE.

Mr. COBB.—At this time, if the Court please (I do it merely for the purpose of expediting matters), the plaintiff having rested, I move for a dismissal of the petition on the ground that they have utterly failed to show that they are entitled to the relief prayed for, or any relief, under that petition—in other words, they have failed to make out a case.

The COURT.—In what particular, Mr. Cobb?

Mr. COBB.—First, that the contract upon which that petition is based, taken in conjunction with their actions under it, shows conclusively that it was the intention of the parties that title should pass to this property, and it did pass as a matter of law, and that the clause in the contract providing that the title be retained by Hills-Corbet Company until the entire moneys due under the contract should be paid did not have the effect of preventing the title from passing, but was merely an equitable mortgage, which is void as against a trustee and the creditors that he represents. Second, that they have failed to show that the property has not been paid for. I think those two grounds cover it, and I will be very brief because this matter has been argued before the Court once and the authorities presented.

The COURT.—I think you had better go on and

develop your side of the case, Mr. Cobb, because I do not want to pass on this offhand, and I do not want to go over it twice.

Mr. COBB.—I want to state to these gentlemen, then, that the only evidence I expect to introduce and that I will be able to get will be this, I will ask the Court to take judicial notice of the foreclosure of the bank's mortgage in this court and in this case. You will find it in this case, the foreclosure and sale under that. Then I will introduce Mr. A. A. Humfrey as soon as he returns, and the only testimony that I want from him is on the amount of board of these laborers.

Mr. HELSELL.—I will ask, Mr. Cobb, if you want the Court also to take judicial notice of the decision of the referee that the bank's [165—91] mortgage in so far as it was a chattel mortgage was invalid.

Mr. COBB.—On the lumber and everything else there he held it to be valid, and I think he was correct in it, as to the buildings and the fixtures which included this real estate.

Mr. HELSELL.—He held it valid simply as a real estate mortgage.

The COURT.—Does not that all appear in these bankruptcy proceedings? That is a mortgage foreclosed in bankruptcy?

Mr. COBB.—Foreclosed in bankruptcy.

The COURT.—The records are all here?

Mr. COBB.—The records are all here in the hands of the referee.

Mr. HELSELL.—I ask Mr. Cobb if he will not bring the mortgage here so we will have it.

Mr. COBB.—The mortgage is in the hands of the bank.

Mr. HELSELL.—Well, a certified copy of it.

Mr. COBB.—It seems to me it is introduced in evidence—it is recited there.

Mr. HELSELL.—It is very awkward to have the records of some other court considered in this court without knowing what they are—without having a transcript made of them. I think I would prefer that a transcript be made of what parts you want to show.

Mr. COBB.—I will get a copy of it.

Mr. HELSELL.—And file in this court?

Mr. COBB.—Yes, in this court in this case.

The COURT.—I think it will simplify matters, Mr. Cobb, if I give you an order on the referee to turn over to you such papers with reference to the foreclosure of the mortgage as you want, and you can call on the referee and get them and then bring them up here and introduce them in this case,

Mr. COBB.—Yes, I will do that. There is no particular reason for doing it now—I will do it at the time we call Mr. Humfrey, if that is agreeable.

Mr. HELSELL.—I would like to see them before I go away.

Mr. COBB.—All right, you will see them before you go away.

The COURT.—Let me understand what you intend to prove by Mr. Humfrey. [166—92]

Mr. COBB.—Mr. Humfrey was here last evening and he promised to come up this morning, but when I went to get him this morning I learned that he had

left town last night and will not be back for several days. I expect to prove by him just what I stated in the affidavit, that he made this entry and made it from certain data he had there as to the cost of the board of these men to the Craig Lumber Company.

Mr. HELSELL.—Do you know what data he is going to refer to that he had?

Mr. COBB.—No, I do not, in particular.

Mr. HELSELL.—Shall I go ahead with my rebuttal, then?

The COURT.—Yes.

REBUTTAL.

Testimony of F. A. Cloudy, for Petitioner (Recalled in Rebuttal).

F. A. CLOUDY, recalled as witness on behalf of the plaintiff, having been previously duly sworn, testified in rebuttal as follows:

Direct Examination.

(By Mr. HELSELL.)

Q. Mr. Cloudy, in the books of the Craig Lumber Company the Hills-Corbet Company is charged with an item of \$1745 on September 30th, which is endorsed as follows: “Cloudy list of checks paid 6/13/18, \$100; 6/13/18, \$350; 6/18/18, \$1000; 6/20/18, \$50; 7/19/18, \$200; 7/25/18, \$200; 8/8/18, \$25.00”—do you have any idea of what that is?

A. I don't know,—I don't know what that means.

Q. They have you charged also with the following items—

The COURT.—What is this rebutting, Mr. Hellsell?

Mr. HELSELL.—It is not rebutting anything, if they do not intend to put their books in evidence.

The COURT.—Mr. Cobb has not put them in, and he says the only evidence he is going to have—

Mr. HELSELL.—He is going to call Max Humfreys and show him these books, and I don't know how far he is going to go in the books. [167—93] If he is going to confine himself to the two items mentioned in the affidavit I will stop right now.

Mr. COBB.—I have told these gentlemen—I have been very frank with them. I am in the position of representing the trustee, and I found these charges there and I am unable to find who made them or what they are about.

Mr. HELSELL.—When you call Mr. Humfreys are you going to go into any of the debit charges against us except this \$11,781.63 for labor and the \$3,324 for board? Are you going to have him explain any other items?

Mr. COBB.—No; that is all I now know anything about. If I do I will ask the Court to reopen and give me an opportunity to meet it. I cannot get hold of Mr. Tromble, and I don't know anything about that, and I am not offering incompetent evidence if I know it.

Mr. HELSELL.—I cannot consent that after we go home he can go into all these items in this account unless I can go into them now—it is just one thing or the other, and he ought to be able at this time to decide whether he is going into them or not.

The COURT.—I may have misunderstood, but I

(Testimony of F. A. Cloudy.)

thought you asked Mr. Cobb the categorical question whether he was going beyond the \$11,000 item and the \$3000 item, and I understood him to say no.

Mr. COBB.—I have no intention of going into it. I know of no evidence I could get on these books. I said, however, that if some evidence should develop that I know nothing about,—these gentlemen understand my position—I have been perfectly frank with them,—If I could get something of that kind I certainly deem it my duty to ask the Court to allow me to put that in, but at the present time I have no intention of doing that.

Mr. HELSELL.—You do not intend to do it with Max Humfreys?

Mr. COBB.—No, not with Max Humfreys because he knows nothing about those,

Mr. HELSELL.—All right.

Mr. COBB.—That is what he tells me, at least.

Mr. HELSELL.—The Court will have to decide whether he will let you do that. [168—94]

Q. (By Mr. HELSELL.) Did you have any conversation with W. H. Warren, cashier of the Bank of Wrangell, about this contract between the Hills-Corbet Company and the Craig Lumber Company?

A. Yes.

Q. When was that?

A. About the 17th of January.

Q. 1918? A. 1918.

Q. State whether at that time Mr. Warren had a copy of the contract between the two companies.

A. Yes; he had Mr. Tromble's copy.

(Testimony of F. A. Cloudy.)

Q. He had it there in the bank? A. Yes, sir.

Q. Mr. Warren was what official in the Bank of Wrangell? A. Vice-president, I understand.

Mr. HELSELL.—I think I am safe in assuming that the mortgage was executed, according to the records, on the 28th of January, 1918—that was the date of the mortgage, if I am not mistaken—is that not true?

Mr. MARSHALL.—I think that is correct—I wouldn't be definite about it.

Q. At that date, January 28, 1918, how much of the Hills-Corbet machinery was actually installed?

A. Installed?

Q. Yes. A. None at all.

Q. None was in place? A. No.

Q. When was it installed?

A. Beginning the first week in March, I believe, we started installing it.

Q. How much of the machinery sold by Hills-Corbet Company was not even in Craig on January 28, 1918?

A. Well, leaving out the brick that was in the bay there was nothing [169—95] there but the resaw, two boilers, two engines and dry kiln equipment—no transmission.

Q. When did the transmission arrive?

A. About the first week in March.

Q. When did the edger arrive?

A. About the middle of March.

Q. The planer?

(Testimony of F. A. Cloudy.)

A. About the same time—it was the same time.

Q. And the belt? A. A. I think the same time.

Q. And the chain?

A. Some chain at the same time,—in fact, I think all of the chain came in on that shipment.

Q. You said the transmission machinery arrived when? A. About the first week in March.

Q. There were two shipments of transmission machinery? A. Yes, sir.

Q. When did the first one arrive?

A. I am not certain about that as to that date—I think in February.

Q. I show you a copy of a telegram and ask you if you know the signature of Mr. W. H. Warren of the Bank of Wrangell? A. Yes, sir.

Q. Does that bear his signature? A. Yes, sir.

Mr. HELSELL.—I offer that in evidence for the purpose of showing that the bank had notice of the terms of our conditional sale contract.

The COURT.—Signature to a telegram?

Mr. HELSELL.—Yes—it is a confirmation of a telegram, sent by mail.

(Whereupon, there being no objection, said telegram was received in evidence and marked Plaintiff's Exhibit "R.")

Q. Do you know whether or not the mill site of the Craig Lumber Company is upon the forest reserve of the United States? A. I think it is; yes.

Q. Is the whole townsite of Craig in the forest reserve of the [170—96] United States?

A. Yes, sir.

(Testimony of F. A. Cloudy.)

Q. Do you know the character of right which the Craig Lumber Company has to buy the land upon which their mill is situated?

Mr. COBB.—What is the purpose of that?

Mr. HELSELL.—My purpose is simply to show, if your Honor please, that the mill is situated on land, the only right to which the Craig Lumber Company has is a permit—a special use permit issued by the United States Forestry Service, and that therefore they were not the owners of the real estate at all, and that the Bank of Wrangell in taking a mortgage on the real estate cannot for that reason claim that they rely upon getting title to the land and that the machinery goes with the land, because they could not get anything but the improvements on the land under their mortgage—it wasn't really a real estate mortgage at all in the sense that they were getting any title to the land.

Mr. COBB.—That is wholly incompetent, irrelevant and immaterial, for this reason, you cannot take a mortgage upon possessory rights in Alaska. Another reason is this, that if these gentlemen owned this property and can show—and apparently have shown—that the Bank of Alaska had notice, why, it is immaterial, they cannot attack a mortgage between their parties unless they can show that the mortgage hurts them.

The COURT.—That is just what he is trying to show, that it hurts him. He is trying to negative your contention that it does not hurt him.

Mr. HELSELL.—If you will admit that it does not

(Testimony of F. A. Cloudy.)

hurt me I will be perfectly satisfied.

Mr. COBB.—I do not think it makes any difference in this case whether there is any mortgage or not.

Mr. HELSELL.—You do not?

Mr. COBB.—No.

Mr. HELSELL.—That is a very frank admission and I am very glad to get it. Don't you know that is all Government land over there, Mr. Cobb and Mr. Marshall? [171—97]

Mr. COBB.—I so understand it—I do not know it.

Mr. MARSHALL.—Have they a permit there?

Mr. HELSELL.—From the Forestry Department.

Mr. MARSHALL.—Yes.

The COURT.—I do not suppose there will be any dispute about this being on forestry ground?

Mr. COBB.—That has always been my understanding.

The COURT.—And that the Craig Lumber Company have a permit?

Mr. COBB.—Have a permit.

The COURT.—And that they have built this mill on that—

Mr. COBB.—The facts as I understand them, and I think I am correct, are that the West Coast Mill, composed of four men as partners, got this permit and built the original mill and Mr. Tromble bought them out, giving each his note for \$2,500—no money. Mr. Tromble then sold the West Coast Mill Company's holdings there to the Craig Lumber Company in exchange for the entire stock of the Craig

(Testimony of F. A. Cloudy.)

Lumber Company, and they assumed the notes that he gave these other people. Those are the facts as disclosed by the records in the hands of the trustee.

Mr. HELSELL.—That is all I want to show, that we were occupying that land by license from the Government only.

The COURT.—That is admitted.

Mr. HELSELL.—I have a copy of the permit issued by the forestry service, which I would like to put in evidence.

Mr. COBB.—This is not certified in such a way as to make it admissible.

The COURT.—It is just a permit, isn't it?

Mr. HELSELL.—Permit, certified by the Chief Clerk of the Forestry Department at Ketchikan.

The COURT.—It is admitted in the case, as I understand it.

Mr. HELSELL.—All right; I just want it to be clear that the permit was revocable at the will of the United States, that is all. That is all with this witness, Mr. Cobb. [172—98]

Cross-examination.

(By Mr. COBB.)

Q. Just one question, Mr. Cloudy. Who paid your wages while you were there?

A. The Craig Lumber Company,— when I was paying, or drawing checks I paid myself the same as I did the rest of the men—the same way.

Q. Did you pay yourself out of the checks that you drew on this \$10,500 that was deposited in the Bank of Wrangell? A. Yes, sir.

(Testimony of F. A. Cloudy.)

Q. Your wages were all paid out of that?

A. All the wages I did get; yes.

Q. Were they marked "on contract" or otherwise?

A. Some of the men was on contract and some of them were not.

Mr. HELSELL.—He asked you how they were marked,—what do you mean, in the check-books?

Mr. COBB.—Yes; how much of that did you charge the Craig Lumber Company with for your own wages?

A. About a thousand dollars, I guess.

Mr. HELSELL.—Where do you mean—in the check-book stubs? Why don't you make it definite so he will know what you are talking about?

Q. (By Mr. COBB.) How much were you getting a month?

A. I wasn't paid by the month.

Q. How were you paid? A. By the day.

Q. How much a day?

A. Started in with \$11, and later they changed it to \$12.00.

Mr. COBB.—That is all.

(Witness excused.)

Plaintiff rests. [173—99]

April 3, 1920, 4:20 P. M.

Testimony of A. A. Humfreys, for Respondent.

A. A. HUMFREYS, called as a witness on behalf of the respondent, being first duly sworn, testified as follows:

(Testimony of A. A. Humfreys.)

Direct Examination.

(By Mr. COBB.)

Q. State your name. A. A. A. Humfreys.

Q. During the year 1919 did you reside at Craig, Alaska? A. No, 1918.

Q. 1918, I mean. A. Yes.

Q. When did you first go there?

A. Got there on the first of June.

Q. What connection, if any, did you have with the Craig Lumber Company?

A. When I first went there I was bookkeeper at the plant, and later I had charge of the plant, from the first of August until it closed down.

Q. And acted as treasurer? A. Yes.

Q. Handled funds. Now, how long did your connection with them continue?

A. Until the 28th of December, 1918.

Q. That is the time the receivership—of the appointment of a receiver preceding the bankruptcy proceedings? A. Yes.

Q. That is when they went out of business?

A. Yes.

Q. When you got there and examined the books I will ask you what condition you found the company in with Hills-Corbet Company?

A. At the time I got there it was,—the account was badly balled up—the account with the Hills-Corbet Company—that is, it was hard to get heads or tails of it.

Q. Did you have among the papers the contract of the Hills-Corbet [174—100] Company for the

(Testimony of A. A. Humfreys.)

construction of the plant?

A. Yes; I found that paper sometime after I had been there—I didn't find it at first.

Q. You had it while you were there?

A. I had it; yes.

Q. Did you make any efforts to straighten up the account? A. Oh, yes.

Q. Now, I hand you a couple of books here and ask you what they are, if you know?

A. This book is a ledger—it is really two books in one—this is an accounts receivable ledger and an accounts payable ledger.

Q. What is the other?

A. The other book is a cash journal—both of them books of the Craig Lumber Company.

Q. They are books that were kept under your supervision while you were there? A. Yes.

Q. Now, turning to the account in the ledger there of—

Mr. BURTON.—I would like to ask one question before he asks that. Did you make those entries yourself, Mr. Humfreys?

A. Lots of them, yes—lots of them I didn't make—I can recognize my own entries.

Mr. BURTON.—You didn't make those entries that he has asked you to testify about?

A. I don't know what Mr. Cobb is going to ask me about yet.

Mr. BURTON.—We object to him testifying to any entries except those he made himself.

(Testimony of A. A. Humfreys.)

The COURT.—He has not testified to anything yet.

Q. (By Mr. COBB.) Turn to the account of the Hills-Corbet Company, I call your attention to an entry there of something over \$3,000.

A. This last entry on the account?

Q. I don't know whether it is the last entry or not—an entry which you made there. The entry I call your attention to particularly is the entry to cover part of the labor cost, three thousand some hundred dollars—did you make that entry? [175—101]

A. Yes—this last entry of \$3,324.00—I made that.

Q. You made that entry. Did you also make it on the journal?

A. Yes, this is my entry in the journal.

Q. Now, just explain that charge against the Hills-Corbet Company to the Court, Mr. Humfreys.

A. Well, this page 47 of the cash journal, the entry referring to \$3,324 which appears on the journal as a credit to the boarding-house account and a charge against the Hills-Corbet Company. The entry reads, “Charge Hills-Corbet Company board at \$1.50 per day on amount included in the labor charged above”—that is, the previous charge of 2,216 days at \$1.50 per day, is \$3,324.

Q. Now, that is the entry?

A. That is the entry; yes.

Q. From what data did you make the entry and why did you make the charge?

A. I made this entry when I was closing the

(Testimony of A. A. Humfreys.)

books up preparatory to turning them over to the receivership. When I left Craig and went down to Seattle I took the books with me. The Hills-Corbet Company account, as I said, was always more or less indefinite. For one thing, I didn't have sufficient data to make an accurate account—our account never did come anywhere near balancing; and Mr. Shattuck took the ledger sheet out of the old ledger and what information I had there, and interviewed Hills-Corbet Company in an endeavor to straighten the account out; and when I got back to Seattle in December, 1918, Mr. Shattuck gave me all the details of his straightening the account up with Hills-Corbet Company, one of the main things of which was—one of the main discrepancies was in the amount paid out by the Craig Lumber Company through their representative at Craig, Mr. Cloudy, for labor, that was handed in; and taking the amount of money deposited in the bank of Wrangell in lump sums to the credit of the Hills-Corbet Company, and that which was checked out by their man Cloudy—which always appeared to me to be the chief discrepancy—I asked Mr. Shattuck,—I couldn't go into it at Craig—it was [176—102] hard to get office men at that time—to make up a list of the checks from the check stubs, which he did, and I checked them over with the stubs and with my records.

Q. Is that from the original check stubs that Mr. Cloudy drew from the bank books?

A. Yes.

(Testimony of A. A. Humfreys.)

Q. Those are the same ones that are in evidence now?

Mr. BURTON.—I don't know what you are getting at, Mr. Cobb. I do not think this testimony is at all relevant, if your Honor please, and Mr. Humfreys' answers are not responsive to the questions at all, and I cannot see just what he is getting at, and I think one or two questions would straighten it all out.

The WITNESS.—He asked me how I arrived at this entry, and it was really necessary for me to go into the check stubs to get the entry.

Q. (By Mr. COBB.) You got it from the check stubs?

A. I didn't get the entry direct from the check stubs, but it was originally taken from the data that was contained on the check stub.

Q. The check-book stubs to which you refer are these check-book stubs marked Plaintiff's Exhibit "M" in this case, are they?

A. Yes, those are the check stubs.

Q. How did you get the number of days that you charged them with there,—how did you make that calculation?

Mr. BURTON.—I object to the question as incompetent, irrelevant and immaterial, for the reason that there is nothing shown here that Mr. Humfreys had any right to make the entries which are made in that book; there is nothing shown so far that he had any data from which he could make such original entry; there is nothing to show that

(Testimony of A. A. Humfreys.)

he knew anything about the charge of board or the arrangement concerning board at the time of the making of the contract, and we object to the testimony as being incompetent, irrelevant and immaterial.

The COURT.—The objection is overruled.

The WITNESS.—I took the days as contained on the check stubs and [177—103] time sheets for that time and segregated,—that is, Mr. Shattuck had made the segregation, and I checked it over.

Mr. BURTON.—He is testifying, if the Court please, from something Mr. Shattuck made.

The COURT.—He mentioned incidentally—

The WITNESS.—I took those figures there and I found that the labor performed on the contract amounted to, total number of days for one man 2,216. Now, the board—the operation of the boarding house up until the last two or three months—had always cost a dollar and a half, or in excess of a dollar and a half per day per man,—I think, if I remember correctly, one month it ran up to \$1.70 per day per man—I think it ran up to \$1.70 one time—but I thought a fair average would be \$1.50 a day—it would at least cost that, so that is why I charged the Hills-Corbet Company for the board of their men for the time they worked on the contract.

Q. That is part of the labor charge?

A. Yes.

Q. Made by the Craig Lumber Company?

(Testimony of A. A. Humfreys.)

A. Yes.

Q. Now, the deposits that you referred to that were made by the Craig Lumber Company and checked out by Mr. Cloudy, were three checks for \$3,500 each? A. Yes.

Q. Did you find that Mr. Cloudy had checked out, or given checks there that were additional to that that were paid by the bank and charged to the Craig Lumber Company—in excess of that?

A. In excess of the \$10,500?

Q. Yes. A. Yes.

Q. Did you make a charge covering that?

A. No, I didn't make the charge.

Q. You didn't make the charge covering that,—do you know how much that access was?

A. According to the charge on the books, yes—it was something between [178—104] six and seven thousand dollars.

Q. That was in addition to the \$10,500?

A. Yes. Of course all that money was expended on the labor on the contract, as shown on the check stubs.

Q. I understand—that is the amount that he checked out in the course of his operations. Now, the \$3,324, that is a part of the cost to the Craig Lumber Company for the performance of the Hills-Corbet Company contract?

A. I would take it to be so according to the contract—that was my interpretation of the contract, is why I made the entry.

Q. The fact I am asking you about is not the

(Testimony of A. A. Humfreys.)

interpretation of the contract—that was an actual cost to them? A. Oh, absolutely.

Mr. COBB.—You may take the witness.

Cross-examination.

(By Mr. BURTON.)

Q. Mr. Humfreys, these books of check stubs, do they show anything in connection with the board of those men? A. No.

Q. You got nothing from these stubs which gave you any idea as to the board, did you?

A. In just what particular, Mr. Burton?

Q. You made an entry,—you say you made this entry by taking these check stubs and some other information, and figured \$1.50 per day per man—now, just answer the question—do these check stubs show anything of that kind in there?

A. They show the amount paid for labor on the contract, Mr. Burton.

Q. Doesn't say anything about board—doesn't mention board, does it?

A. No, it doesn't mention board.

Q. I will ask you, Mr. Humfreys, from whom did you get any information which authorized you to make any entry in those books concerning the board of the Hills-Corbet men?

A. Will you repeat that question? [179—105]

Q. From whom or from what source did you obtain any information or any authority, or who authorized you to make those entries concerning the board of the men against the Hills-Corbet Company?

(Testimony of A. A. Humfreys.)

A. I obtained the information, as I say, from the time the men worked, as shown by their own man's entries.

Q. So you figured this board merely from the fact that you knew that these men of Hills-Corbet Company had put in certain time at that work at Craig, Alaska, and you figured during that time they were to be boarded?

A. I knew they were boarded.

Q. That is the only information upon which you base your charge, that the men worked there and boarded there?

A. No; I asked the superintendent of the Craig Lumber Company, Mr. Tromble, at the time when I was endeavoring to straighten out the accounts,—the main reason for my going to Craig was to straighten out the accounts—I kept them merely from that time on,—and I asked Mr. Tromble,—the boarding-house account was in very, very bad shape financially—that is, the amount that had been collected from the men that were being boarded there was a very small amount in comparison with the expense of operating the boarding-house, and I looked for a reason for it, and Mr. Tromble told me the Hills-Corbet men had all boarded there and no entry of that had been made.

Q. Did he tell you to make that entry?

A. Tromble had gone at the time I made this entry.

Q. You were not present at the time the contract was entered into, were you? A. No.

(Testimony of A. A. Humfreys.)

Q. And you don't know anything, then, about any understanding concerning the board at that time, do you, between the Craig Lumber Company and the Hills-Corbet Company?

A. Only what Mr. Tromble told me.

Q. You were not present at the time the contract was made, and you don't know of your own knowledge? A. No. [180—106]

Q. So all the information you have upon which to make this entry is the fact that these men worked at Craig and boarded there at the boarding-house; isn't that true?

A. Yes, that is partly true.

Q. Now, the amount of \$1.50 a day, you fixed that yourself?

A. I fixed the amount myself on the cost of running the boarding-house—that is, what the cost of the boarding-house was—what it cost to feed a man.

Q. Is that your memorandum there?

A. Yes, that is my—

Q. That is your writing. Do you recognize that paper upon which that memorandum is put?

A. Yes.

Q. Now, at that time, Mr. Humfreys, you figured the cost of board would be about a dollar a day, didn't you? A. No.

Q. Isn't that the item down there?

A. That is the amount we charged the men per day for board—our own men, but we were never able to board them for a dollar a day—never—the

(Testimony of A. A. Humfreys.)

lowest, the very lowest, we ever could board our men for was \$1.36 a day.

Q. Who authorized you to make the entry in the book?

A. I thought the entry should be made, Mr. Burton, and when I got down to Seattle and started to make all the entries in the book preparatory to turning them over to the receiver, I said to Mr. Shattuck, "Shouldn't a charge for board be made?" I told him my reasons for thinking a charge should be made, and he said yes, and so I made them. Mr. Shattuck was at that time president of the company.

Q. Mr. Cobb asked you concerning the three checks for \$3,500? A. Yes.

Q. What are the entries concerning those checks?

A. The entries for those checks are not in these books—they are in the previous set of books to these.

Q. Who were those checks payable to—Cloudy?
[181—107]

A. No, the checks were payable to the Hills-Corbet Company.

Q. Do you know what those checks were paid for?

A. They were merely deposited in the bank for Cloudy to check against, Mr. Burton,—money to pay the men.

Q. You haven't seen the time-books, have you, of the Hills-Corbet Company kept by Cloudy?

(Testimony of A. A. Humfreys.)

A. No; I tried many times to get hold of them but I couldn't.

Q. You don't know of your own knowledge what amount of money was paid upon the contract or what was paid upon extras, do you?

A. That all transpired before I got there. The only thing I could tell was from Cloudy's own check stubs.

Q. You don't pretend to know, though, what that money was paid for—whether it was paid for the dry kiln, the foundation for the boiler, the shoveling of snow, or what it was paid for, do you?

A. No; just the entries on his check stubs was all I had to go by.

Q. You were not there at all during the time this work was being performed, were you, Mr. Humfreys?

A. The bulk of the work was finished when I got there. There was some work done after I got there.

Q. They left in June, didn't they—the Hills-Corbet men?

A. No; there were some of them there up to the time I left.

Q. The work was completed at that time?

A. No, the work was never completed—it is not completed yet. The dry kiln was never completed, for one thing, and there are several other things that were never completed.

Mr. BURTON.—Of course I cannot go into that—that is not proper rebuttal testimony. What I mean by that, Mr. Humfreys is injecting something

(Testimony of A. A. Humfreys.)

that cannot be answered by our witnesses.

Q. You met Mr. Cloudy in Ketchikan, did you not, Mr. Humfreys? A. This trip?

Q. Yes. A. Yes.

Q. Didn't you tell him you had made no entries in this book at all, at Ketchikan?

A. Just a few days ago? [182—108]

Q. Yes.

A. No; I didn't discuss that question with Mr. Cloudy.

Q. You didn't tell him that at all?

A. I didn't talk to him to any extent. He told me they were all harping on me because I left town when the trial was coming up—that was all. I didn't have any detailed discussion with him—only saw him on the dock for two or three minutes.

Q. Didn't Mr. Cloudy tell you at that time that the entries referred to in Mr. Cobb's affidavit were not made by you at all in the book?

A. No, he didn't say anything about it.

Q. Didn't you make that statement to Mr. Cloudy, in Ketchikan, a few days ago, that you had not made those entries Mr. Cobb referred to in his affidavit?

A. No; I haven't seen any affidavit of Mr. Cobb.

Q. You just testified a few minutes ago about those entries, Mr. Humfreys, and you say you don't know a thing about what the money was paid for—I understood you to say that,—you don't know a thing at all about that money there, that is true, isn't it?

(Testimony of A. A. Humfreys.)

Mr. COBB.—I do not think there is any use duplicating the record in this way. The witness has stated repeatedly what data he made these entries from—from the entries made by Mr. Cloudy.

The WITNESS.—I discussed this matter with all the men that were interested there,—I wasn't right on the spot.

Q. All the information you got was from these check stubs of Mr. Cloudy?

A. No—that is binding me down pretty close, Mr. Burton.

Q. Tell me what information you got, and from whom?

A. Out at Craig there were quite a few other papers—more than there are here.

Q. Where are those papers?

A. I presume they are out at Craig now—they were when I left there. Where they are now I don't know.

Q. You were there last, weren't you? [183—109]

A. No, I think I left Craig the 15th, or the 14th, of December, 1918; but the check stubs occupied an important part in the data upon which I based different entries in the books—also a conference with the man who wrote the checks himself assisted me too at that time.

Q. Who was the man? A. Mr. Cloudy.

Mr. BURTON.—If the Court please, Mr. Cloudy left word before he left here—left me a letter—that if any testimony came up, or was given by Mr. Humfreys that should be rebutted he would

(Testimony of A. A. Humfreys.)

come back, and I would like that privilege,—if the Court thinks there is any testimony that should be rebutted I would like to have Mr. Cloudy recalled.

The COURT.—Do you want to have Mr. Cloudy here?

Mr. BURTON.—If there is any material evidence which the Court wants explained I would like to have him here.

The COURT.—You will have to be the judge of that.

Q. Now, Mr. Humfreys, just let us get the thing clear,—you state to the Court right now from what you derived the information—not hearsay testimony—you understand what that is,—but from what authentic source you derived any information that authorized you to make in the books those entries against the Hills-Corbet Company,—you understand that question?

A. I understand it. I asked Cloudy, the man who wrote those checks, and the man who was in charge of that work at the time the work was performed, and I asked Mr. Tromble, who was superintendent of the plant at the time the work was performed—I am perfectly frank in this matter, Mr. Burton, I have no interest in it one way or the other—it occurred to me that the boarding-house account was in terribly bad shape—it showed a tremendous deficit, and I asked Mr. Tromble about it. He said, “The boarding-house account is so far behind,” he said, “I don’t know—there are lots of people who

(Testimony of A. A. Humfreys.)

were eating there and nothing charged." I said, "Who, for instance?" He said, "The Hills-Corbet people." I said, "Are we supposed to pay [184—110] their board?" He said, "No." I said, "How am I going to charge it?" And he said, "You will have to see Cloudy—dig it out from them." I said, "That is going to be an awful job—I don't know how I am going to get it." Then these check stubs were produced, of Mr. Cloudy's and I saw that was going to be a very big job and I could see very plainly that I was never going to get time to do it with my other work—I was working then 16 to 18 hours a day—and I said to Shattuck, "You take this stuff to Seattle with you and work it out"; and I said, "Send me a list of the checks," and he did send a typewritten list of the checks, but he did not send the check stubs, and I decided to let it go until I got to Seattle, and when I got to Seattle I got the check stubs and checked them over with this list and figured out as near as I could the total number of days and the men that had done work; then I showed Mr. Shattuck what the cost of operating the boarding-house had been spread over the period I had figured out, showed him the deficit of the boarding-house, and showed that the operating cost had been high, and I figured a fair average would be \$1.60 for each man, and I said to Shattuck, "I guess it would be all right, fair enough, if I charge the board to the Hills-Corbet Company at \$1.50 a day," and he said yes, so I made the entry. That is the whole story.

(Testimony of A. A. Humfreys.)

Q. Cloudy did not tell you to make the entry?

A. No, he had no authority.

Q. Cloudy did not tell you that the Hills-Corbet Company were responsible for board, did he? You are referring to Mr. Tromble—Mr. Tromble is the one you had the talk with?

A. Yes, I had most of the talk with Mr. Tromble, but I had some talk with Mr. Cloudy. At that time Mr. Cloudy was working for us—he wasn't working for the Hills-Corbet Company at that time.

Mr. BURTON.—That is all.

(Witness excused.)

TESTIMONY CLOSED. [185]

Plaintiff's Exhibit "E."

Craig, Alaska, Dec. 9, 1917.

Hills Corbet,
Seattle, Wash.

Dear Sirs—

Inclosed please find check for the following Invoices:

#250.....	9.40.....	18.80
249.....	48.71.....	97.42
248.....	25.75.....	51.50
247.....	625.12.....	1250.24
237.....	35.01.....	70.02
236.....	137.79.....	275.58
238.....	210.45.....	420.90
238.....	15.46.....	30.92
251.....	10.21.....	20.42
233.....	728.34.....	1456.68

224.....	110.69.....	221.38
243.....	66.41.....	132.82
241.....	999.03.....	1998.06
	312.50	
F. A. Cloudy.....	477.36.....	Extra
Fares from Seattle.		

3812.23

I telegraphed you to reorder all the brick Cloudy told you about it I guess. Its a pretty hard blow. I wish in re invoicing that you could forget your 15% & 10% profit. This is all I will ask of you. Cloudy feels terrible about this. He was trying to save money & the brick were on a new wharf & I was as willing he should take the chance as he. You hadent better waste any time getting brick.

Yours truly,

F. J. TROMBLE.

Pltffs. Exhibit No. "E." Received in Evidence
Mar. 17, 1920. In Cause No. 31, Bkey. J. W. Bell,
Clerk. By _____, Deputy. [186]

Plaintiff's Exhibit "F."

Length	Belt	Where At.
54½	20"	Saw Engine.
58½	20"	Edger Engine.
16 feet	7"	Feed Drive Belt.
10'.8"	7"	Feed Drive Belt.
30'	16"	Feed Drive Belt.
23'	6"	Diamond Drive Belts.
38'	8"	Fan Drive Belt.
24½	6"	Small Conveyor Belt.
33'	12"	Planer Reverse Drive.
24'	8"	Drive Belt (planer).
24'	10"	Planer Drive Belt.
25'	7"	Reserve Rev. Drive.
55' 8'	6"	Box Factory Reserve Drive.
42	7"	Cut Off Saw Res. Drive.
11'	8"	Cut Off Saw Res. Belt.
13'	8"	Cut Off Saw Res. Belt.
26'	7"	Reserve Drive Belt.
28'	6"	Box Factory Drive Belt.
13'	6"	Rip Saw Drive Belt.
12½	6"	Cut Off Saw Drive.
12'	8"	Cut Off Saw Blt.
44'	12"	Mule Stand Drive.
15'	8"	Large Conveyor Drive.
44'	8"	Large Conveyor Drive Blt.
30'	7"	Log Haul Drive Blt No. 1.
26'	7"	Live Roll Drive Belt.
23'	12"	Log Haul Drive No. 2.
24'	8"	Carriage Feed Drive.
20'	10"	Haul Drive No. 3.
43'	12"	Head Saw Main Drive.
40	7"	Canting Gear.

Pltffs. Exhibit No. "F." Received in evidence Mar. 18, 1920. In Cause No. 31, Bkey. J. W. Bell, Clerk. By _____, Deputy. For Idtf. (3). J. W. Bell, Clerk. [187]

Plaintiff's Exhibit "G."

OFFICE OF
CRAIG CHAMBER OF COMMERCE.

Craig, Alaska, Feb. 9, 1918.

Hills Corbet Co.,
Seattle.

Gentlemen:

Enclosed please find Two checks, #108 and 109 for \$276.51 acct, your orders #291-300, 301, 302 and 303.

Tromble still away getting along fine Hand about well can use it as you can see.

Send Feed Rings for dutch ovens (3) not over 12" inside can get along until they come.

Respectfully yours,

F. A. CLOUDY.

Pltfs. Ex. No. "G." Received in evidence Mar. 17, 1920. In Cause No. 31, Bkey. J. W. Bell, Clerk. By _____, Deputy. [188]

Plaintiff's Exhibit "H."

Craig, Alaska, Feb. 25, 1918.

Hills Corbet Co.,

73 Horton St., Seattle, Wn.,

Gentlemen:—

Enclosed please find check for \$361.45 which I

consider is in full for your invoices Nos. 296, 305 and 306.

I cannot allow you a percentage on that block, and as for the boom chains which were an actual loss to me, I don't think you can expect anything on that. As I explained before, this order had nothing to do with the Mill, and if I had to pay you a percentage, we would have to pay the difference ourselves.

I could have ordered these things from the Mills and Mines Supply Co., while down there, and I surely will consider it very unfriendly to make such a charge. Hoping that this will be satisfactory to you,

We remain,

Sincerely yours,

CRAIG LUMBER CO.,

F. J. TROMBLE,

Mgr.

P. S.—The Ravalli has just arrived at this place and there does not appear to be anything on board for us. This does not appear to be very good head-work on your part.

F. JT/K.

Pltfs. Exhibit No. "H." Received in evidence Mar. 17, 1920. Cause No. 31, Bkey. J. W. Bell, Clerk. By _____, Deputy. [189]

Plaintiff's Exhibit "O."

Labor not on Contract.

Saw Mill.....	273.87
Shoveling Snow.....	49.06
Wood for Cook House.....	149.02
Brick from Ravella.....	126.25
Removing Boiler.....	49.10
Dry Kiln Foundation.....	217.89
Removing Lumber.....	8.10
Replacing Water-pipe.....	120.47
Mill Roof.....	408.05
Clearing Platform.....	58.26
Removing Engine.....	28.92
Lumber order.....	5.25
Removing Machinery from Dock..	85.35
Gravel.....	153.89
Sand.....	154.00
Removing Engine.....	9.00
Mill Foundation.....	10.25
Boiler House Foundation.....	340.97
Tearing down Saw Mill.....	283.03
Papering Mill Roof.....	40.67
Trussing Mill.....	242.35
Carriage.....	98.86
Logging.....	18.00
Stevens Residence.....	4.50
Pipe Line to Cook House.....	19.35
Brick Shed.....	1.20
Log Slip.....	59.06
Log Pond.....	52.87
Water Tank.....	39.65

 3098.24

Pltfs. Exhibit No. "O." Received in evidence
Mar. 18, 1920. Cause No. 31, Bkey. J. W. Bell,
Clerk. By _____, Deputy. [190]

Defendant's Exhibit No. 1.

308

No. 93.

Wrangel, Alaska, Jan. 5, 1918.

BANK OF ALASKA.

Pay to The Order of Hills-Corbet-Co. Per F. A.
Cloudy \$3500.00/100 Three Thousand Five Hun-
dred and 00/100 Dollars.

CRAIG LUMBER CO.

F. J. TROMBLE, Mgr.

Stamped: Paid Jan. 17, 1918. Bank of Alaska,
Wrangell, Alaska. Per F. A. Cloudy.

No. 94.

Wrangell Alaska, Jan. 24, 1918.

BANK OF ALASKA.

Pay to the Order of Hills-Corbet Co. By F. A.
Cloudy, \$3500.00/100. Three Thousand Five Hun-
dred and 00/100 Dollars.

CRAIG LUMBER CO,

Per F. A. CLOUDY.

Acct. contract on sawmill at Craig, Alaska.

Stamped: Paid Feb. 21, 1918. Bank of Alaska,
Wrangell, Alaska.

[Endorsed]: Hills-Corbet Co. By F. A. Cloudy.

No. 401.

Craig, Alaska, March 26, 1918.

CRAIG LUMBER CO.

Of Craig, Alaska.

Pay to The Order of Hills-Corbet Co. Act. \$3500.-
00/100, Thirty-five Hundred and no/100 Dollars.

CRAIG LUMBER CO., President.

ANNA K. TROMBLE, Treasurer.

(To Bank of Alaska, Wrangell, Alaska. Stamped:
Paid Apr. 29, 1918. Bank of Alaska, Wrangell,
Alaska.)

Dft. Exhibit No. 1. Received in evidence Mar.
18, 1920. In Cause No. 31, Bkcy. J. W. Bell, Clerk.
By _____, Deputy. [191]

No. 1. \$25.00/100
Jan. 18, 1918.

ORDER of

F. A. Cloudy. H-C-Co. Hills Corbet.
Counter Check.
For Expenses Craig, Alaska,
to Wrangell and return.

No. 2. \$182.62
Jan. 21, 1918.

Not in Contract. \$118.62 Dec.

On Contract. 64.00 Nov. & Dec.

P. J. Hangen. Hills Corbet.
For Labor on contract.
Hills-Corbet Co. Nov. 27 to
Dec. 31/17.

No. 3. \$89.40
Jan. 21, 1918.

ORDER of

John Scott. Hills Corbet.
Not on contract. \$44.40
On " 45.00
For Labor on contract.
Hills-Corbet Co. Nov. 27 to
Dec. 31/17.

No. 4. \$170.92 + #17 by error.
Jan. 21, 1918. 12.20

ORDER of

W. M. Benn. N. O. C. 109.67
Labor on Contract,
O. C. 61.25
" " 12.20=73.45 Hills Corbet.

For Hills Corbet Co.;
Nov. 27 to Dec. 31-17.
Due \$12.20.

No. 5. \$138.37

Jan. 21, 1918.

ORDER of

Robert Walker,

N. O. C. 95.62

O. C. 442.75

Hills Corbet.

Labor on contract.

For Hills Corbet Co.:

Nov. 27 to Dec. 31-17.

[192]

No. 6. \$136.32

Jan. 21, 1918.

ORDER of

O. M. Sweatt. N. O. C. 98.10

O. C. 38.22

Hills Corbet.

Labor on contract.

For Hills Corbet Co.;

Nov. 27 to Dec. 31-17.

No. 7. \$76.30

Jan. 21, 1918.

ORDER of

N. O. C. 76.30

T. G. Rorhstrum.

For labor on contract.

Hills Corbet Co.

Hills Corbet.

Dec. 5th to Dec. 31-17.

No. 8. \$135.90

Jan. 21, 1918.

ORDER of

Albert McClellan.

Not on contract. \$104.23

on contract. 31.67

For labor on contract.

Hills Corbet Co.

Hills Corbet.

Nov. 27 to Dec. 31-17.

No. 9. \$140.17

Jan. 21, 1918.

ORDER of

Carl F. Pahl. N. O. C. 92.47

Labor on contract . 47.70

Hills Corbet.

For Hills-Corbet Co.

Nov. 27 to Dec. 31-17.

No. 10. \$139.05

Jan. 21, 1918.

ORDER of

W. C. Cloudy.

Not on contract. 92.47

For labor on contract 46.58

Hills Corbet.

Hills Corbet Co.;

Nov. 27 to Dec. 31-17.

[193]

No. 11. \$96.40

Jan. 21, 1918.

ORDER of

Wm. W. Kilworth acct.

J. E. Simpson. N. O. C. 96.40

For labor on contract. 34.00

Mailed to Wm. W. Kilworth by request
of Simpson.

Hills Corbet Co.;

Nov. 27 to Dec. 31-17.

Hills Corbet.

No. 12. \$226.61

Jan. 21, 1918.

ORDER of

H. J. Gibney.

Not on contract. 197.75

For labor on contract. 92.87..... Due 2 days on Dec.

Hills Corbet Co.

Hills Corbet.

Nov. 27 to Dec. 31-17.

No. 13. \$136.59

Jan. 21, 1918.

ORDER of

E. Eckengen. N. O. C. 98.55

O. C. 38.02

For labor on contract Hills
Corbet Co. Nov. 27 to
Dec. 31-17.

Hills Corbet.

No. 14. \$140.17

Jan. 21, 1918.

ORDER of

Theo Barth.

Not on contract. 106.42

For Labor on contract. 33.75

Hills Corbet.

Hills Corbet Co.;

Nov. 27 to Dec. 31-17.

No. 15. \$140.75

34.23

Jan. 21, 1918.

ORDER of

C. S. Cloudy.

Not on contract. 90.67

For Labor on contract. 34.23

 124.90

Hills Corbet.

Hills Corbet Co.

Nov. 27 to Dec. 31-17.

[194]

No. 16. \$360.20

Jan. 21, 1918.

ORDER of

F. A. Cloudy. N. O. C. 338.90

For Labor on contract. 36.30

Mistake Deducting.

Hills Corbet Co.

short 5.00.

Nov. 27 to Dec. 31-17.

Hills Corbet.

No. 17. \$12.20

Jan. 21, 1918.

ORDER of

W. M. Benn.

See stub #4 on contract.

For labor on contract.

Due on Dec. acct. error.

Hills Corbet.

Hills Corbet.

Due on Dec.-17.

No. 18. \$19.80

Jan. 21, 1918.

ORDER of

F. A. Cloudy.

Acct. D. O. Quine.

Check #787 Taylor Mill Co. to F. A.

For labor on contract. \$19.80

Cloudy.

Hills Corbet Co.

Nov. 27 to Dec. 1.

Hills Corbet.

No. 20. \$13.35

Jan. 21, 1918.

ORDER of

A. L. Brown.

Acct. Chas. Spencer.

Not on contract.

For (cook) West Coast Mill

Hills Corbet.

Co.

Per F. A. Cloudy.

No. 21. \$234.52

Jan. 21, 1918.

ORDER of

L. K. Halvorsen.

Acct. A. J. Eadner.

For labor on contract.

Hills Corbet.

For Hills-Corbet Co.;

Nov. 27 to Jan. 11/18.

No. 22. \$50.00

Jan. 21, 1918.

ORDER of

L. K. Halverson.

T. Lempie.

For labor on contract.

Hills Corbet.

Hills Corbet Co.

Dec. 17 to Jan. 1

1917 1918.

[195]

No. 23. \$15.50

Jan. 22, 1918.

ORDER of

W. Waters.

Hills Corbet.

Hills Corbet Co. Check.

For fare and Freight.

Wrangell to Craig.

No. 24. \$25.42

Jan. 22, 1918.

ORDER of

F. A. Cloudy acct.

For B. F. Bink, labor on
contract.

Hills Corbet Co.

Hills Corbet.

on acct. Jan. 7/18.

No. 25. \$77.85

Jan. 22, 1918.

ORDER of

O. M. Sweatt.

Hills Corbet.

Labor on contract Hills
Corbet.

For Jan. 1 to Jan. 19th incl.

No. 26. \$76.50

Jan. 22, 1918.

ORDER of

Robert Walker.

Labor on contract.

Hills Corbet.

Hills Corbet.

For Jan. 1 to Jan. 20.

No. 27. \$66.50

Jan. 22, 1918.

Order of

Theo. Barth.

Labor on contract Hills

Hills Corbet.

Corbet.

Jan. 1 to Jan 20.

No. 28. \$10.00

(Part of #27.)

Jan. 22, 1918.

Order of

Theo Barth.

Labor on contract.

Hills Corbet Co.

Hills Corbet.

Jan. 1 to Jan. 20.

No. 29. \$76.50

Jan. 22, 1918.

Order of

Elmer Eckengren.

Labor on contract.

Hills Corbet Co.

Hills Corbet.

Jan. 1 to Jany. 20.

No. 30. \$105.50

Jan. 22, 1918.

Order of

W. M. Benn.

Labor on contract Hills

Hills Corbet.

Corbet Co.

For Jan. 1 to Jan. 20.

No. 31.

\$5.00

Jan. 22, 1918.

Order of

W. M. Benn.

Hills Corbet.

Labor on Contract Hills
Corbet.Cash advanced by
F. A. Cloudy.

Jan. 1 to Jan. 20.

Advance.

No. 32.

\$100.50

Jan. 1918.

Order of

P. S. Hangen.

Hills Corbet.

Labor as contract Hills
Corbet.

For Jan. 1 to Jan. 20.

No. 33.

\$10.00

Jan. 22, 1918.

Order of

P. L. Hangen.

Labor on contract Hills
Corbet Co.

Hills Corbet.

Jan. 1 to Jan. 20.

Cash advanced by F. A. C.

No. 34.

\$75-50

Jan. 22, 1918.

Order of

L. G. Rothstrom.

Hills Corbet.

Labor on Contract for Hills
Corbet Co.

Jan. 1 to Jan. 20.

No. 35.

\$1.00

Jan. 22, 1918.

Order of

L. G. Rothstrom.

Hills Corbet.

Labor on contract.

Cash advanced by F. A. Cloudy.

For Jan. 1 to Jan. 20.

No. 36. \$36.44

Jan. 22, 1918.

Order of

W. M. Benn.

Hills Corbet.

Labor on contract Hills

Corbet Co.

Jan. 20 to Jan. 27.

No. 37. \$36.44

Jan. 22, 1918.

Order of

P. S. Hangen.

Labor on contract.

Hills Corbet.

Hills Corbet Co.

Jan. 20 to Jan. 27.

[197]

No. 38. \$69.20

Jan. 22, 1918.

Order of

J. E. Simpson.

Labor on contract.

Hills Corbet.

Hills Corbet Co.

Jan. 1 to Jan. 20.

No. 39. \$139.62

Jan. 22, 1918.

Order of

H. J. Gibney.

Labor on contract.

Hills Corbet.

Hills Corbet Co.

Jan. 1 to Jan. 20.

Due \$10.00.

No. 40. \$10.00

Jan. 22, 1918.

Order of

H. J. Gibney.

Labor on contract.

Hills Corbet.

Hills Corbet Co.

Jan. 1 to Jan. 20.

No. 41. \$65.85

Jan. 22, 1918.

Order of

C. F. Pahl.

Labor on contract.

Hills Corbet.

Hills Corbet Co.

Jan. 1 to Jan. 20/17.

No. 42. \$77.85

Jan. 22, 1918.

Order of

Albert McClellan.

Labor on contract.

Hills Corbet.

Hills Corbet Co.

Jan. 1 to Jan. 20.

No. 43. \$75.85

Jan. 22, 1918.

Order of

W. C. Cloudy.

Labor on contract.

Hills Corbet.

Hills Corbet.

Jan. 1 to Jan. 20.

No. 44. \$72.85

Jan. 22, 1918.

Order of

C. S. Cloudy.

Labor on contract.

Hills Corbet.

Hills Corbet Co.

Jan. 1-20.

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No. 45. \$22.50

Jan. 24, 1918.

Order of

St. Michael Trading Co.

For 3 kegs nails.

Hills Corbet.

1-18-18.

Hills Corbet Co.

No. 46. \$73.00

Jan. 24, 1918.

Order of

F. Matheson.

2 ke^ds 40 dy common wire nails 14.00

3 ke^ds 60 dy common wire nails 21.00

4 roll J. M. Asbestos Roofing 1 sq.

3 ply 25.00

2 roll Regal Roofing 1 sq. 2 ply 7.00

Hills Corbet Co.

5 gals. Roofing Paint 6.00

Jan. 18-1918. 73.000

No. A 4. \$3500. no/100

Jan. 24, 1918.

Order of

(Hills Corbet Co. by F. A.

Cloudy.)

For labor on contract.

Saw mill at Craig.

Craig Lbr. Co.

No. 47. \$3.60

Jan. 24, 1918.

Order of

W. H. Killworth.

acct. E. Simpson.

For labor on contract.

Hills Corbet.

Hills Corbet.

Bal. due to date on order by

Simpson.

No. 48. \$5.20

Jan. 24, 1918.

Order of

J. E. Simpson.

For labor on contract.

For Hills Corbet Co.

Hills Corbet.

In full of acct. Nov. 27 to

Out Standing.

Dec. 22.

No. 49.

\$27.00

Jan. 26, 1918.

Order of

Robert Walker.

Labor on contract.

Hills Corbet.

For week ending Jan. 26/18.

No. 50.

\$27.00

Jan. 26, 1918.

Order of

Elmer Eckengren.

Hills Corbet Co.

Labor on contract week ending
Jan. 26-18.

[199]

No. 51.

\$39.00

Jan. 26, 1918.

Order of

W. M. Benn.

Labor on contract.

Hills Corbet.

For week ending Jan. 26-18.

No. 52.

\$39.00

Jan. 26, 1918.

Order of

P. S. Hangen.

Hills Corbet.

Labor on contract.

For week ending

Jan. 26-18.

No. 53.

\$27.00

Jan. 26, 1918.

Order of

L. S. Rothstrom.

Hills Corbet.

Labor on contract.

For week ending Jan. 26-18.

No. 54. \$42.00

Jan. 26, 1918.

Order of

H. J. Gibney.

Hills Corbet.

Labor on contract.

For week ending.

Jan. 26/18.

No. 55. \$27.00

Jan. 26, 1918.

Order of

C. F. Pahl.

Hills Corbet.

For labor on contract.

For week ending.

Jan. 26/18.

No. 56. \$27.00

Jan. 26, 1918.

Order of

Hills Corbet.

Albert McClellan.

Labor on contract.

For week ending Jan. 26-18.

No. 57. \$27.00

Jan. 26, 1918.

Order of

O. M. Sweatt.

Hills Corbet.

Labor on contract.

For week ending Jan. 26-18.

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No. 58. \$27.00

Jan. 26, 1918.

Order of

Hills Corbet.

W. C. Cloudy.

Labor on contract.

For week ending Jan. 26-18.

No. 59. \$18.00

Jan. 26, 1918.

Order of

Hills Corbet.

Theo. Barth.

Labor on contract.

For week ending Jan. 26/18.

No. 60. \$27.00

Jan. 26, 1918.

Order of

C. S. Cloudy.

Hills Corbet.

Labor on contract.

For week ending Jan. 26-18.

No. 61. \$7.00

Jan. 26, 1918.

Order of

H. J. Gibney.

Hills Corbet.

Labor on contract.

For bal. due on week ending

Jan. 26-18.

No. A 5. \$10.00

Jan. 28, 1918.

Order of

A. Agniler.

Not on contract.

Acct. A. Vicente.

Craig Lbr. Co.

For Cook.

Craig Lbr. Co.

No. A 6. \$2245.66

Jan. 30, 1918.

Order of

S. S. Wainwright.

Pacific Coast S. S. Co.

Craig Lbr. Co.

Freight Seattle to Craig.

Craig Lumber Co.

Check.

No. 62. \$15.75

Jan. 31, 1918.

Order of Craig Lbr. Co.

P. Lusco.

Longshoring.

For acct. Brick and machinery.

No. 63. \$14.25

Jan. 31, 1918.

Order of Craig Lbr. Co.

E. Johnson.

Longshoring.

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No. 64. \$15.75

Jan. 31, 1918.

Order of Craig Lbr. Co.

Geo. Martz.

Longshoring.

For acct. Brick, etc.

No. 65. \$15.75

Jan. 31, 1918.

Order of Craig Lbr. Co.

Longshoring.

acc. Brick.

For Fank Van Vlett.

No. 66. \$15.75

Jan. 31, 1918.

Order of Craig Lbr. Co.

Robert Scott.

Longshoring.

For brick etc.

No. 67.	\$14.75	
Jan. 31, 1918.		
Order of		
David Parnell.		Craig Lbr. Co.
Longshoring.		
For Brick, etc.		
No. 68.	\$15.75	
Jan. 31, 1918.		Out Standing.
Order of		
Herman West.		Craig Lumber Co.
Longshoring acct. Brick etc.		
No. 69.	\$15.75	
Jan. 31, 1918.		
Order of		Craig Lbr. Co.
Antone Andersen.		
Longshoring.		
acct. Brick etc.		
No. 70.	\$15.75	
Jan. 31, 1918.		
Order of		Craig Lbr. Co.
John Rose.		
Longshoring.		
acct. Brick.		
No. 71.	\$15.75	
Jan. 31, 1918.		
Order of		
Peter John.		Craig Lbr. Co.
Longshoring acct. brick etc.		
No. 72.	\$75.00	
Jan. 31, 1918.		Out Standing.
Order of		Craig Lbr. Co.
E. Wright.		
For Flunkey.		

No. 73. \$15.75

Jan. 31, 1918.

Order of

Craig Lbr. Co.

Andy Andersen.

Longshoring Brick etc.

No. 74. \$27.00

Feb. 2, 1918.

Order of

Hills Corbet Co.

L. S. Rothstrom.

Labor on contract for week
ending Feb. 2-1918.

No. 75. \$27.00

Feb. 2, 1918.

Order of

Hills Corbet Co.

Robert Walker.

Labor on contract for week
ending Feb. 2-18.

No. 76. \$27.00

Feb. 2, 1918.

Order of

Hills Corbet Co.

Elmer Eckengren.

Labor on contract for week
ending Feb. 2/18.

No. 77. \$22.50

Feb. 2, 1918.

Order of

Hills Corbet Co.

Theo Barth.

Labor on contract for week
ending Feb. 2/18.

No. 78. \$39.00

Feb. 2, 1918.

Order of

Hills Corbet Co.

P. S. Hangen.

Labor on contract for week
ending Feb. 2, 1918.

No. 79. \$49.00

Feb. 2, 1918.

Order of

H. J. Gibney.

Hills Corbet Co.

Labor on contract for week
ending Feb. 2-18.

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No. 80. \$27.00

Feb. 2, 1918.

Order of

O. M. Sweatt.

Hills Corbet.

Labor on contract for week
ending Feb. 2, 1918.

No. 81. \$39.00

Feb. 2, 1918.

Order of

Hills Corbet Co.

W. M. Benn.

Labor on contract for week
ending Feb. 2-18.

No. 82. \$27.00

Feb. 2, 1918.

Order of

Carl F. Pahl.

Hills Corbet Co.

Labor on contract for week
ending Feb. 2/18.

No. 83. \$27.00

Feb. 2, 1918.

Order of

Albert McClellan.

Hills Corbet.

Labor on contract for week
ending Feb. 2/18.

Hills Corbet.

No. 84. \$12.00

Feb. 1918.

Order of

John Scott.

Hills Corbet.

Labor on contract for week ending Feb. 2/18.

No. 85. \$710.00

Feb. 2, 1918.

Order of

Robert Sather.

On contract 195.00.

For week ending Feb. 2/18.

Not on contract 515.00.

Craig Lbr. Co.

No. 86. \$27.00

Feb. 2, 1918.

Order of

W. C. Cloudy.

Hills Corbet Co.

Labor on contract for week ending Feb. 2, 1918.

No. 87. \$27.00

Feb. 2, 1918.

Order of

C. L. Cloudy.

Hills Corbet.

Labor on contract for week ending Feb. 2, 1918.

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No. 88. \$319.00

Feb. 2, 1918.

Order of

F. A. Cloudy.

Hills Corbet.

Labor on contract month ending Feb. 1, 1918.

No. 89. \$30.00

Feb. 5, 1918.

Order of

Wm. T. Royalty.

Not on contract.

Time due on logging.

Craig Lbr. Co.

No. 90.

\$7.65

Feb. 7, 1918.

Order of

A. Hows.

Craig Lbr. Co.

For 45#.

For Halabot @ 17c.

Craig Lumber Co.

No. 91.

\$71.

Feb. 7, 1918.

Order of

A. Vincente.

Craig Lbr. Co.

Cook.

For labor Feb. 1-1918.

No. 92.

\$39.90

Feb. 7, 1918.

Order of

J. Cartine.

Craig Lumber Co.

2nd Cook for

to Feb. 1, 1918.

No. 93.

\$49.00

Feb. 9, 1918.

Order of

H. J. Gibney.

On contract.

Labor on contract for week
ending Feb. 9-18.

Hills Corbet.

No. 94.

\$24.00

Feb. 9, 1918.

Order of

John Scott.

On contract.

Labor on contract for week
ending Feb. 9-18.

Hills Corbet.

H. C. Co.

Hills-Corbet Company.

259

No. 95.	\$9.10		
Feb. 9, 1918.			
Order of			
Mrs. Eliza Smith.		On contract.	
For nails.		Hills Corbet.	
H. C. Co.			[205]
No. 96.	\$31.00		
Feb. 9, 1918.		On contract.	
Order of		Hills Corbet.	
Albert McClellan.			
Labor on contract for week ending Feb. 9-18.		Due on longshoring 7 hrs. (overtime.)	
No. 97.	\$31.00		
Feb. 9, 1918.			
Order of			
O. M. Sweatt.		On contract.	
Labor on contract for week ending Feb. 9-18.		Hills Corbet.	
No. 98.	\$39.00		
Feb. 9, 1918.			
Order of			
W. M. Benn.		On contract.	
Labor on contract for week ending Feb. 9, 1918.		Hills Corbet.	
H. C. Co.			
No. 99.	\$39.00		
Feb. 9, 1918.			
Order of		On contract.	
P. L. Hangen.		Hills Corbet.	
Labor on contract for week ending Feb. 9-18.			

No. 100. \$27.00

Feb. 9, 1918.

Order of

On contract.

C. L. Cloudy.

Hills Corbet.

Labor on contract for week

ending Feb. 9-18, H. C. Co.

No. 101. \$27.00

Feb. 9, 1918.

Order of

On contract.

W. C. Cloudy.

Labor on contract for week

ending Feb. 9/1918.

Hills Corbet.

No. 102. \$27.00

Feb. 9, 1918.

Order of

On contract.

Robert Walker.

Labor on contract for week

ending past. Feb. 9-18.

Hills Corbet.

No. 103. \$27.00

Feb. 9, 1918.

Order of

On contract.

L. E. Rothstrom.

Labor on contract for week

ending Feb. 9.

Hills Corbet.

No. 104. \$27.00

Feb. 9, 1918.

Order of

On contract.

Elmer Eckengren.

Labor on contract for week

ending Feb. 9-18. H. C. Co.

Hills Corbet.

Hills-Corbet Company.

261

No. 105. \$31.00

Feb. 9, 1918.

Order of

C. F. Pahl.

On contract.

Labor on contract for week
ending Feb. 9, H. C. Co.

Hills Corbet.

No. 106. \$22.50

Feb. 9, 1918.

Order of

Theo. Barthe.

On contract.

Labor on contract for week
ending Feb. 9-18.

Hills Corbet.

No. 107. \$36.00

Feb. 9, 1918.

Order of

Robert Sather.

On contract.

Labor on contract for week
ending Feb. 9.

Hills Corbet.

Hill Cor. Co.

No. 108. \$126.90

Feb. 9, 1918.

Order of

Hills Corbet Co.,

Craig Lbr. Co.

Acct. B. F. Book.

For labor on contract.

Hills Corbet Co.

Bal. to date Nov. 27 to Jan.
7/18.

No. 109. \$149.61

Feb. 9, 1918.

Order of

Order #

Hills Corbet Co.

300—63.76

Orders #300-301-302-303.

301—78.76

302— 4.50

Craig Lbr. Co.

303— 2.59

On a/c.

149.61

No. 110. \$13.00

Feb. 9, 1918.

Order of

Not on contract.

F. Matheson.

nails.

Hills Corbet.

For 2 Kegs #10 Dy.

Hills Corbet Co.

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No. 111. \$425.15

Feb. 9, 1918.

Order of

Not on contract.

Al. Brown.

Cook house.

For supplies.

Jan. 1. Feb. 1.

Craig Lumber.

No. 112. \$25.00

Feb. 11, 1918.

Order of

On contract.

G. W. Matheson.

Labor on contract.

Hills Corbet.

For Hills Corbet Co.

On acct. Feb. 1 to Feb. 28.

No. 113. \$35.75

Feb. 13, 1918.

Order of

Not on contract.

I. Corteno.

Cook.

For Craig Lumber Co.

Craig Lumber Co.

No. 114. \$126.25

Feb. 14, 1918.

Order of

Not on contract.

Geo. Hamilton.

Towing sand gravel logs etc.

Craig Lumber Co.

in full to date.

No. 115. \$31.50

Feb. 14, 1918.

Order of

A. D. Snyder.

Acct. sand and gravel in
full to date.

Not on contract.
Craig Lbr. Co.

No. 116. \$31.50

Feb. 16, 1918.

Order of

Theo Barthe.

Labor on contract For Hills
Corbet Co.

Week ending Feb. 16-18.

On contract.
Hills Corbet Co.

No. 117. \$39.00

Feb. 16, 1918.

Order of

W. M. Benn.

Labor on contract for week
ending Feb. 16-18.

On contract.
Hills Corbet Co.

No. 118. \$27.00

Feb. 16, 1918.

Order of

W. C. Cloudy.

Labor on contract for week
ending Feb. 16-18.

On contract.
Hills Corbet.

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No. 119. \$27.00

Feb. 1918.

Order of

L. G. Rothstrom.

Labor on contract for week
ending Feb. 16.

On contract.
Hills Corbet.

Hills.

No. 120.	\$22.50	
Feb. 16, 1918.		
Order of		
Hary Naylor.		
Labor not on contract.		Clearing land.
Hills Corbet Co.		Not on contract.
Week ending Feb. 16.		Hills Corbet.
No. 121.	\$27.50	
Feb. 16, 1918.		
Order of		
Carl Pahl.		On contract.
Labor on contract for week		Hills Corbet.
ending Feb. 16-18.		
No. 122.	\$27.00	
Feb. 16, 1918.		
Order of		
Robert Sather.		On contract.
Labor on contract for week		Hills Corbet.
ending Feb. 16.		
Due 9.00.		
No. 123.	\$9.00	
Feb. 16, 1918.		
Order of		
Robert Sather.		Not on contract.
Labor clearing land for.		Hills Corbet.
Craig Lbr. Co.		
Bal. due on week ending		
Feb. 16.		
No. 124.	\$30.00	
Feb. 16, 1918.		
Order of		
Robert Sather.		On contract.
Labor on contract for week		Hills Corbet.
ending Feb. 16.		

No. 125.	\$67.70		
Feb. 16, 1918.		Feb. 14.	
Order of		10 Roll 2 Ply	37.50
F. Matheson.		2 Kegs 12	13.00
Not on contract.		2 " 12	13.00
Hills Corbet.			<hr/>
			63.50
		Nuts	4.20
			<hr/>
			67.70

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No. 126.	\$27.00		
Feb. 16, 1918.			
Order of			
Elmer Eckengren.		On contract.	
Labor on contract for week		Hills Corbet Co.	
ending Feb. 16-18.			

No. 127.	\$49.00		
Feb. 16, 1918.			
Order of		On contract.	
H. J. Gibney.		Hills Corbet Co.	
Labor on contract for week			
ending Feb. 16.			

No. 128.	\$39.00		
Feb. 16, 1918.			
Order of		On contract.	
P. L. Hangen.		Hills Corbet Co.	
Labor on contract for week			
ending Feb. 16.			

No. 129.	\$27.00		
Feb. 16, 1918.			
Order of		On contract.	
C. L. Cloudy.		Hills Corbet Co.	
Labor on contract for week			
ending Feb. 16.			

No. 130. \$32.00

Feb. 16, 1918.

Order of

O. M. Sweatt.

On contract.

Labor on contract for week
ending Feb. 16.

Hills Corbet Co.

Hills Corbet Co.

No. 131. \$90.00

Feb. 16, 1918.

Order of

On contract.

F. A. Cloudy..

Hills Corbet Co.

Labor on contract on acct.
Feb. time.

No. 132. \$29.25

Feb. 16, 1918.

Order of

On contract.

John Scott.

Labor on contract for week
ending Feb. 16-18.

Hills Corbet Co.

No. 133. \$27.50

Feb. 16, 1918.

Order of

On contract.

Alber McClellan.

Labor on contract for week
ending Feb. 16.

Hills Corbet Co.

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No. 134. \$2.00

Feb. 18, 1918.

Order of

Not on contract.

F. J. Tromble.

Hills Corbet.

Clams Chg. for cook house.

No. 135. \$6.95

Feb. 18, 1918.

Order of

Not on contract.

Chas. Fox.

Hills Corbet.

Express typewriter for
freight (Teddy.)

Hills Corbet.

No. 136. \$54.00

Feb. 18, 1918.

Order of

A. Vicente.

Not on contract.

cook chg. cook.

Hills Corbet.

for house.

No. 137. \$52.87

Feb. 19, 1918.

Order of

Not on contract.

Robert Roylaty.

Labor not on contract for.

Hills Corbet Co.

Bal. due in full on acct.

No. 138. \$15.00

Feb. 19, 1918.

Order of

Not on contract.

F. A. Cloudy.

Acct. Chas. Spencer.

Hills Corbet Co.

For cash advances Jan. 4th, 1918.

No. 139. \$15.00

Feb. 19, 1918.

Order of

Due on check Nov. and Dec. 1917, Cash

5.00. Carl Pahl 3.00

W. C. Cloudy 2.00

F. A. Cloudy.

C. S. Cloudy 5.00

Deducted from their checks.

On contract.

For cash advanced.

Hills Corbet Co.

No. 140. \$6.00

Feb. 21, 1918.

Order of

Robert Roylaty,

Not on contract.

Bal. due on time for Not on contract

Hills Corbet Co.

Hills Corbet.

No. 141. \$53.25

Feb. 23, 1918.

Order of

Not on contract.

James Hurly. Bunkhouse for caretaker. Hills Corbet.

Not on contract.

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No. 142. \$49.00

Feb. 23, 1918.

Order of

H. J. Gibney,

On contract.

Labor on contract for week

Hills Corbet Co.

ending Feb. 23.

No. 143. \$31.50

Feb. 23, 1918.

Order of

On contract.

Theo. Barth.

Hills Corbet Co.

Labor on contract for week

ending Feb. 23.

No. 144. \$31.50

Feb. 23, 1918.

Order of

O. M. Sweatt.

On contract.

Labor on contract for week

Hills Corbet Co.

ending Feb. 23-18.

No. 145. \$31.50

Feb. 23, 1918.

Order of

On contract.

L. G. Rothstrom.

Labor on contract for week

Hills Corbet Co.

ending Feb. 23.

No. 146. \$31.50

Feb. 23, 1918.

Order of

Hary Naylor.

Not on contract.

Clearing land not on con-
tract for week ending
Feb. 23.

Hills Corbet.

No. 147. \$38.25

Feb. 23, 1918.

Order of

D. Becker.

Not on contract.

Labor clearing land for
week ending Feb. 23.

Hills Corbet.

No. 148. \$42.00

Feb. 23, 1918.

Order of

Robert Sather.

Not on contract.

Labor clearing land for
week ending Feb. 23-18.

Hills Corbet.

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No. 149. \$10.40

Feb. 23, 1918.

Order of

A. Vincentie.

Not on contract.

Labor acct. cook house for
wood not on contract.

Hills Corbet.

No. 150. \$10.00

Feb. 23, 1918.

Order of

F. Gardner.

Not on contract.

Flunkey.

Hills Corbet.

No. 151.	\$35.00	
Feb. 23, 1918.		
Order of		On contract.
Robert Walker.		
Labor on contract for week		Hills Corbet.
ending Feb. 23.		
No. 152.	\$30.37	
Feb. 23, 1918.		
Order of		On contract.
C. F. Pahl.		Hills Corbet.
Labor on contract for week		
ending Feb. 23.		
No. 153.	\$31.00	
Feb. 23, 1918.		
Order of		On contract.
A. McClellan.		
Labor on contract for week		Hills Corbet.
ending Feb. 23-18.		
No. 154.	\$41.00	
Feb. 23, 1918.		On contract.
Order of		
W. M. Benn.		Hills Corbet.
Labor on cont. for week		
ending Feb. 23.		
No. 155.	\$41.00	
Feb. 23-18. 1918.		
Order of		On contract.
P. L. Hangen.		
Labor on contract for week		Hills Corbet.
ending Feb. 23-18.		
No. 156.	\$31.50	
Feb. 23, 1918.		
Order of		On contract.
Elmer Eckengren.		
Labor on contract for week		Hills Corbet Co.
ending Feb. 23-18.		

No. 157.	\$29.25	
Feb. 23, 1918.		On contract.
Order of		
C. L. Cloudy.		Hills Corbet Co.
Labor on contract for week ending Feb. 23-18.		
No. 158.	\$35.50	
Feb. 23, 1918.		On contract.
Order of		Hills Corbet.
W. Cloudy.		
Labor on contract for week ending Feb. 23.		
Night watch.		
No. 159.	\$29.25	
Feb. 23, 1918.		On contract.
Order of		Hills Corbet.
John Scott.		
Blk. Smith for week ending Feb. 23-18.		
No. 160.	\$48.00	
Feb. 23, 1918.		On contract.
Order of		Hills Corbet.
G. W. Matheson.		
Labor on contract for week ending Feb. 23-18.		
No. 161.	\$12.36	
Feb. 23, 1918.		Not on contract.
Order of		Hills Corbet Co.
Ed Johnson.		
Clearing land in full of acct. to date.		

No. 162. \$84.36
Feb. 23, 1918.

Order of
Mark La Belle.
Clearing land in full to
date.

Not on contract.
Hills Corbet Co.

No. 163. \$30.36
Feb. 23, 1918.

Order of
H. G. Stevens.
Labor on contract for week
ending Feb. 23.
2968,45.

On contract.
Hills Corbet Co.

No. 164. \$ 2.00
Feb. 23, 1918.

Order of
Geo. Hamilton.
For towing Bunkhouse from
log pound to dock.

Not on contract.
Hills Corbet Co.

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No. 165. \$ 2.60
Feb. 27, 1918.

Order of
Miss S. Young.
Exp. acct. for washing.
F. A. C. 1.15 Dunkan 1.45

Hills Corbet Co.
Not on contract.

No. 166. \$520.00
Feb. 28, 1918.

Order of
G. W. Matheson.
For labor on sawmill not on
contract.

Not on contract.
Hills Corbet Co.

No. 167.	\$12.50	
Mar. 2, 1918.		Not on contract.
Order of		
L. K. Halversen.		Hills Corbet Co.
Tools, lanterns, globes, etc.		
Hills Corbet.		Chg. their acct.
No. 168.	\$48.12	
Mar. 2, 1918.		
Order of		
H. J. Gibney.		On contract.
For labor on contract.		
Hills Corbet Co., week end- ing Mar. 2/18.		Hills Corbet Co.
No. 169.	\$31.50	
Mar. 2, 1918.		
Order of		On contract.
Theo. Barth.		Hills Corbet Co.
For labor on contract week ending Mar. 2-18.		
No. 170.	\$30.92	
Mar. 2, 1918.		
Order of		On contract.
O. M. Sweatt.		Hills Corbet Co.
Labor on contract week ending Mar. 2-18.		
No. 171.	\$27.00	
Mar. 2, 1918.		
Order of		
C. F. Pahl.		On contract.
Labor on contract week ending Mar. 2-18.		Hills Corbet Co.

No. 172.

\$5.61

Mar. 2, 1918.

Order of

Fred Horn.

For fish Chg to Cook House.

Not on contract.

Hills Corbet Co.

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No. 173.

\$27.50

Mar. 2, 1918.

Order of

A. McClellan.

Labor on contract for week
ending Mar. 2-18.

Hills Corbet Co.

On contract.

Hills Corbet Co.

No. 174.

\$43.50

Mar. 2, 1918.

Order of

W. M. Brown.

Labor on contract for week
ending Mar. 2-18.

Hills Corbet Co.

On contract.

Hills Corbet Co.

No. 175.

\$43.50

Mar. 2, 1918.

Order of

P. L. Hangen.

Labor on contract for week
ending Mar. 2-18.

Hills Corbet Co.

On contract.

Hills Corbet Co.

No. 176.

\$27.00

Mar. 2, 1918.

Order of

Elmer Eckengren.

Labor on contract for week
ending Mar. 2-18.

Hills Corbet Co.

On contract.

Hills Corbet Co.

No. 177. \$30.00

Mar. 2, 1918.

Order of

On contract.

Robert Walker.

Hills Corbet Co.

Labor on contract for week
ending Mar. 2-18.

No. 178. \$27.00

March 2, 1918.

Order of

On contract.

C. L. Cloudy.

Hills Corbet Co.

Labor on contract for week
ending Mar. 2-18.

Hills Corbet Co.

No. 179. \$27.00

March 2, 1918.

Order of

On contract.

W. C. Cloudy.

Hills Corbet.

Labor on contract for week
ending Mar. 2-18.

Hills Corbet Co.

No. 180. \$22.50

March, 1918.

Order of

On contract.

L. G. Rothstrom.

Hills Corbet Co.

Labor on contract for week
ending Mar. 2-18.

Hills Corbet Co.

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No. 181. \$27.00

Mar. 2, 1918.

Order of

Not on contract.

H. G. Stevens.

Hills Corbet Co.

Not on contract for week
ending March 2-18.

No. 182.	\$22.50	
March 2, 1918.		
Order of		
John Scott.		On contract.
Labor on contract for week		Hills Corbet Co.
ending March 2-18.		
Hills Corbet Co.		
No. 183.	\$80.01	
March 2, 1918.		
Order of		Not on contract.
Wm. Kincaid.		Hills Corbet Co.
Cook. Not on contract to		
date.		
No. 184.	\$23.06	
March 2, 1918.		
Order of		
Dan Becker.		Not on contract.
Not on contract for week		Hills Corbet Co.
ending Mar. 2-18.		
Hills Corbet Co.		
No. 185.	\$30.75	
March 2, 1918.		
Order of		
Robert Sather.		Not on contract.
Labor on contract for week		Hills Corbet Co.
ending Mar. 2.		
Hills Corbet Co.		
No. 186.	\$14.00	
March 2, 1918.		
Order of		Not on contract.
Archy Young.		Hills Corbet Co.
For week ending March, 2-18.		

No. 187. \$23.75

Mar. 2, 1918.

Order of

Not on contract.

A. Vecente.

Hills Corbet Co.

Chg. bunk houses and cook
houses for week ending
Mar. 2/18.

No. 188. \$25.00

March 2, 1918.

Order of

Not on contract.

E. Wright.

Hills Corbet Co.

Chg. cook house.

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No. 189. \$94.00

March 6, 1918.

Order of

Not on contract.

E. Wright.

Hills Corbet Co.

Labor not on contract.

Chg. cook house.

No. 190. \$2.53

Mar. 4, 1918.

Order of

Not on contract.

Walter Waters.

Hills Corbet.

Launch Glenover.

Freight chge. G. H. Matheson.

No. 191. \$5.00

Mar. 4, 1918.

Order of

Not on contract.

St. Michael Trading Co.

Hills Corbet Co.

For material 12-2" Elbows.

Hills Corbet Co., not on con-
tract.

No. 192. \$16.65

Mar. 4, 1918.

Order of

L. K. Halverson.

Acct. Chas. Spencer as per
statement Jan. 14/18.

Hills Corbet Co., not on con-
tract.

Not on contract.

Hills Corbet Co.

No. 193. \$7.00

March 4, 1918.

Order of

L. F. Halverson.

Acct. Craig Lbr. Co., for 23
joints stove pipe valley
tin.

Not on contract.

Not on contract.

Hills Corbet Co.

No. 194. \$12.95

Mar. 4, 1918.

Order of

F. A. Cloudy.

Acct. L. H. Halverson, exp.
acct. Hills Corbet Co.

On contract.

Hills Corbet Co.

No. 195. \$120.81

March 6, 1918.

Order of

North Pacific Trading and
Packing Co.

For material Feb. 25-27-1918.

Hills Corbet Co.

Not on contract.

Not on contract.

Hills Corbet Co.

No. 196.	\$295.05	
March 6, 1918.		
Order of		On contract in full to March 1-18.
F. A. Cloudy.		Hills Corbet Co.
Labor on contract in full to date March 1-18.		
No. 197.	\$27.00	
March 9, 1918.		
Order of		
Dan Becker.		Not on contract.
Labor not on contract chg. Bunk House.		Hills Corbet Co.
Hills Corbet Co., week end- ing Mar. 9.		
No. 198.	\$36.00	
March 9, 1918.		
Order of		
Robert Sather.		Not on contract.
Chg. Bunk houses not on contract week ending Mar. 9.		Hills Corbet Co.
No. 199.	\$24.75	
March 9, 1918.		
Order of		Not on contract.
A. Vicente.		Hills Corbet Co.
Chg. bunk houses and cook houses not on contract week ending Mar. 9-18.		
No. 200.	\$17.50	
March 9, 1918.		
Order of		
Ed. Wright.		Not on contract.
Flunkey.		Hills Corbet Co.
For week ending Mar. 9.		
Not on contract.		

No. 201. \$14.00

March 9, 1918.

Order of

Archie Young.

Not on contract.

Chg. cook house.

Hills Corbet Co.

For week ending Mar. 9-18.

Not on contract.

No. 202. \$29.25

March 9, 1918.

Order of

Not on contract.

Herman West.

Hills Corbet Co.

Chg. bunk house week ending

Mar. 9-18.

Not on contract.

No. 203. \$27.00

March 9, 1918.

Order of

Not on contract.

Mark La Belle.

Hills Corbet Co.

Chg. bunk house for week
ending Mar. 9-18.

Hold on acct. \$28.08 fare
to Craig.

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No. 204. \$49.87

March 9, 1918.

Order of

H. J. Gibney.

On contract.

Labor on contract for week
ending Mach. 9-18.

Hills Corbet Co.

No. 205. \$31.50

March 9, 1918.

Order of

On contract.

Theo. Barth.

Hills Corbet Co.

Labor on contract for week
ending Mach. 9-18.

No. 206. \$32.06

March 9, 1918.

Order of

On contract.

O. M. Sweatt.

Hills Corbet Co.

Labor on contract for week
ending March 9-18.

No. 207. \$27.00

Mach. 9, 1918.

Order of

On contract.

C. F. Pahl.

Hills Corbet Co.

Labor on contract for week
ending Mach. 9-18.

No. 208. \$29.25

Mach. 9, 1918.

Order of

On contract.

Al MacClellan.

Hills Corbet Co.

Labor on contract for week
ending March 9-18.

No. 209. \$39.00

Mach. 9, 1918.

Order of

On contract.

W. M. Benn.

Hills Corbet Co.

Labor on contract for week
ending Mar. 9-18.

No. 210. \$39.00

Mach. 9, 1918.

Order of

On contract.

P. S. Hangen.

Hills Corbet Co.

Labor on contract for week
ending Mach. 9-18.

No. 211. \$27.00

Mach. 9, 1918.

Order of
Emer Eckengren.
Labor on contract for week
ending Mach. 9-18.

On contract.
Hills Corbet Co.

No. 212. \$30.00

March, 1918.

Order of
Robert Walker.
Labor on contract week
ending March 9-18.

On contract.
Hills Corbet Co.

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No. 213. \$27.00

March, 1918.

Order of
C. L. Cloudy.
Labor not on contract for
week ending March 9-18.

On contract.
Hills Corbet.

No. 214. \$44.00

March, 1918.

Order of
Gill Matheson.
Labor on contract for week
ending March 9-18.

(out)
Not on contract.
Hills Corbet Co.

No. 215. \$27.00

Mach. 9, 1918.

Order of
W. C. Cloudy.
Labor on contract for week
ending March 9-18.

On contract.
Hills Corbet Co.

No. 216. \$27.00

March 8, 1918.

Order of

H. G. Stevens.

Labor on contract for week
ending Mar. 9-18.

Not on contract.

Hills Corbet Co.

No. 217. \$27.00

March 9, 1918.

Order of

John Scott.

Labor on contract for week
ending Mar. 9-18.

On contract.

Hills Corbet Co.

No. 218. \$27.00

Mach. 9, 1918.

Order of

L. G. Rothstrom.

Labor on contract for week
ending Mach. 9-18.

On contract.

Hills Corbet Co.

No. 219. \$2.00

March, 1918.

Order of

Chas. Spencer.

For clams chg. cook house.

Not on contract.

Hills Corbet Co.

No. 220. \$18.00

Mach. 14, 1918.

Order of

L. G. Rothstrom.

Labor on acct. contract for
week ending on date.

On contract.

Hills Corbet Co.

No. 221.	\$10.00	
Mach. 14, 1918.		
Order of		On contract.
F. A. Cloudy.		Hills Corbet Co.
Labor on contract on acct.		
March.		
Hills Corbet Co.		
No. 222.	\$49.00	
March 16, 1918.		
Order of		On contract.
H. J. Gibney.		Hills Corbet Co.
Labor on contract for week		
ending Mar. 16.		
Hills Corbet Co.		
No. 223.	\$31.50	
Mach. 16, 1918.		
Order of		On contract.
Theo. Barth.		Hills Corbet Co.
Labor on contract for week		
ending Mar. 16-18.		
Hills Corbet Co.,		
No. 224.	\$31.50	
March 16, 1918.		
Order of		On contract.
O. M. Sweatt.		Hills Corbet Co.
Labor on contract for week		
ending Mar. 16-18.		
Hills Corbet Co.,		
No. 225.	\$31.50	
March 16, 1918.		
Order of		On contract.
C. F. Pahl.		Hills Corbet Co.
Labor on contract for week		
ending Mar. 16-18.		
Hills Corbet Co.,		

No. 231.

\$27.00

March 16, 1918.

Order of

On contract.

W. C. Cloudy.

Hills Corbet Co.

Labor on contract for week
ending Mar. 16-18.

Hills Corbet Co.

No. 232.

\$27.00

March 16, 1918.

Order of

Not on contract.

H. J. Stevens.

Hills Corbet Co.

Not on contract for week
ending Mar. 16-18.

Hills Corbet Co.

No. 233.

\$27.00

March 16, 1918.

Order of

On contract.

John Scott.

Hills Corbet Co.

Labor on contract for week
ending Mar. 16-18.

Hills Corbet Co.

No. 234.

\$22.50

March 16, 1918.

Order of

Not on contract.

Mark La Belle.

Hills Corbet Co.

Labor chg. Bunk Houses
for week ending March 16.

Hills Corbet Co.

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No. 235.

\$80.00

March 16, 1918.

Order of

Not on contract.

W. M. Kincaid.

Hills Corbet Co.

Cook to date Mar. 16.

Hills Corbet Co.

No. 236. \$15.75

March 16, 1918.

Order of

Not on contract.

Harry Naylor.

Hills Corbet Co.

Labor chg. Bunk houses
week ending Mar. 16.

Hills Corbet Co.

No. 237. \$24.75

March 16, 1918.

Order of

Not on contract.

Dan Becker.

Hills Corbet Co.

Chg. Bunk houses.

for week ending Mar. 16-18.

Hills Corbet Co.

No. 238. \$36.00

March 16, 1918.

Order of

Not on contract.

Robert Sather.

Hills Corbet Co.

Chg. Bunk houses

for week ending Mar. 16-18.

Hills Corbet Co.

No. 239. \$15.75

March 16, 1918.

Order of

Not on contract.

A. Vincente.

Hills Corbet Co.

Chg. cook house and Bunk-
houses week ending Mar.
16-18.

Hills Corbet Co.

No. 240. \$17.50

March 16, 1918.

Order of

Not on contract.

Edward Wright.

Hills Corbet Co.

Chg. Cook House for
week ending Mar. 16-18.

Hills Corbet Co.

No. 241.	\$14.00	
March 16, 1918.		
Order of		Not on contract.
Archie Young.		Hills Corbet Co.
Chg. Cook House for		
week ending Mar. 16-18.		
Hills Corbet Co.		[224]
No. 242.	\$27.00	
March 16, 1918.		
Order of		Not on contract.
Herman West.		Hills Corbet Co.
Chg. bunk houses for		
week ending Mar. 16-18.		
Hills Corbet Co.		
No. 243.	\$25.00	
March 16, 1918.		
Order of		Not on contract.
Geo. Hudelton.		Hills Corbet Co.
Trip to Selzer for acct.		
Harry Naylor, see		
F. Duncan.		
No. 244.	\$27.00	
March 16, 1918.		On contract.
Order of		Hills Corbet Co.
Elmer Eckengren.		
Labor on contract for week		
ending March 16.		
Hills Corbet Co.		
No. 245.	\$31.50	
March 16, 1918.		
Order of		Not on contract.
Mark LaBelle.		Hills Corbet Co.
Chg. Bunk houses for		
week ending Mar. 23		
H. C. Co.		

No. 246. \$35.00
March 23, 1918.
Order of Not on contract.
W. M. Kincaid. Hills Corbet Co.
Cook.
For week ending 3/23.
Hills Corbet Co.

No. 247. \$21.00
March 23, 1918.
Order of Not on contract.
Dan Becker. Hills Corbet Co.
Chg. Bunk house.
For week ending 3/23.
Hills Corbet Co.

No. 248. \$36.00
March 23, 1918.
Order of Not on contract.
Robert Sather. Hills Corbet Co.
Chg. Bunk house.
For week ending 3/23.
Hills Corbet Co.

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No. 249. \$28.00
March 23, 1918.
Order of Not on contract.
A. Vincente. Hills Corbet Co.
Chg. Bunk and Cook house.
Week ending 3/23.
Hills Corbet Co.

No. 250. \$17.50
March 23, 1918.
Order of Flunkey.
Edward Wright. Not on contract.
Chg. cook house. Hills Corbet Co.
For week ending 3/23.
Hills Corbet Co.

No. 251.	\$8.00	
March 23, 1918.		
Order of		
Francis Cloudy.		Not on contract.
Flunkey.		Hills Corbet Co.
For week ending 3/23.		
Hills Corbet Co.		
No. 252.	\$27.00	
March 23, 1918.		
Order of		Not on contract.
Herman West.		Hills Corbet Co.
Chg. Bunk House.		
For week ending Mar. 23.		
No. 253.	\$49.00	
March 23, 1918.		
Order of		On contract.
H. J. Gibney.		Hills Corbet Co.
Labor on contract for week		
ending 3/23.		
Hills Corbet Co.		
No. 254.	\$21.00	
March 23, 1918.		
Order of		On contract.
Theo. Barth.		Hills Corbet Co.
Labor on contract for week		
ending Mar. 23.		
Hills Corbet Co.		
No. 255.	\$31.50	
March 23, 1918.		
Order of		On contract.
O. M. Sweatt.		Hills Corbet Co.
Labor on contract for week		
ending 3/23.		
Hills Corbet Co.		

No. 256. \$31.50
March 23, 1918.
 Order of On contract.
Carl Pahl. Hills Corbet Co.
Labor on contract for week
ending 3/23.
Hills Corbet Co.

No. 257. \$31.50
March 23, 1918.
 Order of
Al. McClellan. On contract.
Labor on contract for week Hills Corbet Co.
ending Mar. 23-18.
Hills Corbet Co.

No. 258. \$39.00
March 23, 1918.
 Order of On contract.
W. M. Benn. Hills Corbet Co.
Labor on contract for week
ending Mar. 23.
Hills Corbet Co.

No. 259. \$39.00
March 23, 1918.
 Order of On contract.
P. S. Hangen. Hills Corbet Co.
Labor on contract for week
ending Mar. 23/18.

No. 260. \$31.50
March 23, 1918. On contract.
 Order of Hills Corbet.
Elmer Eckengren.
Labor on contract for week
ending Mar. 23.

No. 261. \$31.50

March 23, 1918.

Order of

On contract.

Chas. Cloudy.

Hills Corbet Co.

Labor on contract for week
ending Mar. 23.

Hills Corbet Co.

No. 262. \$48.00

March 23, 1918.

Order of

Gill Matheson.

(out)

Labor on contract for week
ending Mar. 23.

Not on contract.

Hills Corbet Co.

Hills Corbet Co.

No. 263. \$24.75

March 23, 1918.

Order of

Not on contract.

G. H. Stevens.

Hills Corbet Co.

Labor not on contract for
week ending March 23.

Hills Corbet Co.

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No. 264. \$27.00

March 23, 1918.

Order of

On contract.

John Scott.

Hills Corbet Co.

Labor on contract for week
ending Mar. 23.

Hills Corbet Co.

No. 265. \$2.40

March 25, 1918.

Order of

Not on contract.

Hills Corbet Co.

Marion Covsier.

Chg. Cook house for laundry.

Hills-Corbet Company.

293

No. 267. \$5.00

March 25, 1918.

Order of

Theo. Barthe.

On contract.

In full of acct for labor on
contract. Bal. due on
week ending Mar. 23.

Hills Corbet Co.

No. 268. \$29.50

March 25, 1918.

Order of

W. M. Benn.

Charge H. C. Co.

\$16.00

Bal. on labor 6.50 3/24.

\$6.50 on contract

For tools \$23.00.

Gill Matheson

7.00

Hills Corbet Co.

No. 269. \$19.25

March 25, 1918.

Order of

Charge Hills Corbet

5.00

P. L. Hangen.

Gill Matheson

7.75

Bal. for labor on contract
and tools.

6.50 on contract.

No. 270. \$14.00

March 25, 1918.

Order of

H. J. Gibney.

Labor on contract for Bal.
in full to date Mar. 23 to
Mar. 25 2 das.

No. 271. \$20.00

March 26, 1918.

Order of

Not on contract.

The City Store Wrangell
Alaska for 10 Rolls 2 ply
paper.

Hills Corbet Co.

No. 272. \$2.60

March 26, 1918.

Order of
Launch Gleanna.
Freight on 10 rolls of 2 ply
roofing paper from The
City Store Wrangell Alaska.

Not on contract.
Hills Corbet Co.

[228]

No. 273. \$19.90

March 26, 1918.

Order of
F. Matheson.
Wrangell.
Chg. F. A. Cloudy.
Personal.

Not on contract.
Chg. F. A. Cloudy.

Hills Corbet Co.

No. 274. \$37.77

March 26, 1918.

Order of
W. P. and P. Co. Klawack.
For supplies chg. F. A. C. F. D. and
H. C. Co.

Not on contract.
Hills Corbet Co.

No. 275. \$22.74

March 30, 1918.

Order of
Mark La Belle.
Labor chg. bunk houses for
week ending March 30
less 6.50 fare Wrangell to
Craig.

Labor	29.24
	6.50
	<hr/>
	22.74

Not on contract.
Hills Corbet Co.

Hills-Corbet Company.

295

No. 276.	\$.50		
March 30, 1918.		Labor	35.00
Order of		fare	34.50
Wm. Kincaid.			<hr/>
Cook.			.50
For week ending March 30			
less 34.50 fare from Seattle		Not on contract.	
to Craig via Wrangell.		Hills Corbet Co.	
No. 277.	\$27.00		
March 30, 1918.			
Order of		Not on contract.	
Dan Becker.		Hills Corbet Co.	
Blk. smith \$4.50.			
For week ending Mar. 30.			
Bunk houses \$22.50.			
No. 278.	\$39.25		
March 30, 1918.			
Order of		Not on contract.	
Robert Sather.		Hills Corbet Co.	
Labor chg. bunk houses for			
week ending Mar. 30.			
No. 279.	\$27.00		
March 30, 1918.			
Order of		Not on contract.	
A. Vicente.		Hills Corbet Co.	
Labor not on contract for			
week ending Mar. 30, chg			
cook, bunk houses, wood			
cutting.			

No. 280.	\$17.50	
March 30, 1918.		
Order of		Not on contract.
Edward Wright.		Hills Corbet Co.
Flunkey.		
Chg. cook house for week end- ing Mar. 30.		
No. 281.	\$27.00	
March 30, 1918.		Not on contract.
Order of		Hills Corbet Co.
Herman West.		
Labor chg. bunk houses.		
For week ending Mar. 30.		
Not on contract.		
No. 282.	\$14.00	
March 30, 1918.		Not on contract
Order of		Hills Corbet Co
Francis Cloudy.		
2nd Flunkey.		
For week ending Mar. 30.		
No. 283.	\$15.75	
March 30, 1918.		
Order of		Not on contract.
W. Burns.		Hills Corbet Co
Chg. bung houses.		
For week ending Mar. 30.		
(logger).		
No. 284.	\$15.75	
March 30, 1918.		
Order of		Not on contract.
Robert Hall.		Hills Corbet Co.
Chg. bunk houses, etc.		
For week ending Mar. 30.		

No. 285. \$19.12
March 30, 1918. Not on contract.
Order of Hills Corbet Co.
Wm. Matson.
Chg. bunk houses.
For week ending Mar. 30.

No. 286. \$19.12
March 30, 1918. Not on contract.
Order of Hills Corbet Co.
S. G. Erens.
Chg. bunk houses,
For week ending Mar. 30.

No. 287. \$6.25
March 30, 1918. Not on contract.
Order of Hills Corbet Co.
P. Shanhan.
Labor not on contract.
For week ending Mar. 30. [230]

No. 288. \$34.34
March 30, 1918. On contract.
Order of Hills Corbet Co.
O. M. Sweatt.
Labor on contract for week
ending Mar. 30.

No. 289. \$29.84
March 30, 1918. On contract.
Order of Hills Corbet.
Carl F. Pahl.
Labor on contract for week
ending Mar. 30.

No. 290.	\$33.59		
March 30, 1918.			
Order of		On contract.	
Al. McClellan.		Hills Corbet Co.	
Labor on contract for week ending Mar. 30.			
No. 291.	\$22.50		
March 30, 1918.			
Order of		On contract.	
Chas. Cloudy.		Hills Corbet Co.	
Labor on contract for week ending Mar. 30.			
No. 292.	\$20.00		
March 30, 1918.		Not on contract.	
Order of		Hills Corbet Co.	
C. W. Matheson.		Benn	7.00
Labor on contract for week ending Mar. 30.		Freight	2.53
		Hangen	7.75
		Check	20.00
			<hr/>
			37.28
		Labor	48.00
		Cr. his acct.	10.72
No. 293.	\$26.70		
Mar. 30, 1918.		To meat 30c	
Order of		\$27.00	
H. G. Stevens.		.30	
Labor not on contract for week ending Mar. 30.		<hr/>	Not on contract.
		26.70	Hills Corbet Co.
No. 294.	\$27.00		
March 30, 1918.			
Order of		On contract.	
M. O. Johnson.		Hills Corbet Co.	
Labor on contract for week ending Mar. 30.			

No. 295. \$42.00

March 30, 1918.

Order of

Frank Waterbury.

Labor on contract for week
ending Mar. 30.

On contract.

Hills Corbet Co.

No. 296. \$30.00

March 30, 1918.

Order of

Frank Goodrich.

Labor on contract for week
ending Mar. 30.

On contract.

Hills Corbet Co.

No. 297. \$9.00

March 30, 1918.

Order of

D. Woodhurst.

Labor on contract for week
ending Mar. 30.

On contract.

Hills Corbet Co.

No. 298. \$9.00

March 30, 1918.

Order of

Chas. Treman.

Labor on contract for week
ending Mar. 30.

On contract.

Hills Corbet Co.

No. 299. \$320.00

March 30, 1918.

Order of

F. A. Cloudy.

Labor on contract for month
ending Mar. 30.

Labor 330.00

Check on account 10.00

320.00

Expense Craig to Wrangell and return
10.00

On contract.

Hills Corbet Co.

No. 300. \$27.00

March 30, 1918.

Order of
Mark La Belle.
Labor not on contract for
week ending Mar. 2nd.
Back pay due Mar. 2nd.
Chg. clearing land.

Not on contract.
Hills Corbet Co.

No. 301. \$4.50

Apr. 1, 1918.

Order of
Carl F. Pahl.
Labor on contract for week
ending Apr. 1 in full to
date.

On contract.
Hills Corbet Co.

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No. 302. \$27.00

March 4, 1918.

Order of
Geo. Hamilton.
For towing, etc.
H. C. Co.

Not on contract.

No. 303. \$58.20

Apr. 4, 1918.

Order of
William Mattson.
Labor on contract.
Bal. in full Mar. 30 to
Apr. 12th.

Time	61.70	On contract.
Board	3.50	Hills Corbet Co.
	<hr/>	
Bal.	58.20	

No. 304. \$9.25

Apr. 16, 1918.

Order of
A. Vicente.
Labor not on contract (ad-
vance).
Chg. cook and bunk houses.

Not on contract.
Hills Corbet.

No. 305.	\$133.00	Due for wages	105.00
Apr. 16, 1918.		Fare refund	28.00
			<hr/>
Order of			
William Kincaid.		Double chg.	133.00
Cook.		settled Mar. 2.	
For Bal. to date Not on		Not on contract.	
contract.		Hills Corbet Co.	

No. 306.	\$5.00		
Apr. 17, 1918.			
Order of		Not on contract.	
Reuben Yeltatzie.		Chg. Hills Corbet Co.	
Freight charges on connect-			
ing rod for engine.			
Chg. H. C. Co.			

No. 307.	\$25.00		
Apr. 17, 1918.			
Order of		On contract.	
O. M. Sweatt.		Hills Corbet Co.	
(Advance) Labor on con-			
tract Apr. time.			
Hills Corbet Co.			

No. 308.	\$50.00		
Apr. 26th, 1918.		out standing.	
Order of		Not on contract.	
G. W. Matheson.		Hills Corbet Co.	
On acct. for labor not on			
contract.			
Hills Corbet Co.			

No. 309.	\$25.00		
Apr. 29, 1918.			
Order of		On contract.	
Fred Gardner.		Hills Corbet Co.	
Labor on contract (on acct.)			

No. 310. \$150.00

Apr. 29, 1918.

Order of

Robert Sather.

Labor not contract.

For logging.

Not on contract.

Hills Corbet Co.

No. 311. \$145.75

Apr. 30, 1918.

Order of

S. G. Evens.

Labor not on contract in

full to date Apr. 1 to Apr. 30.

Not on contract.

Hills Corbet Co.

No. 312. \$144.00

May 1, 1918.

Order of

W. Barnes.

Acct. labor March and Apr.

(on acct.) not on contract.

Not on contract.

Hills Corbet Co.

No. 313. \$143.18

May 3, 1918.

Order of

O. M. Sweatt.

Acct. labor for April.

Wages in full on contract

\$25 received on acct.

On contract.

Hills Corbet Co.

No. 314. \$172.68

May 3, 1918.

Order of

Albert McClellan.

Acct. labor on contract.

Wages in full for April on

contract.

On contract.

Hills Corbet.

No. 315. \$289.00

May 3, 1918.

Order of
Gill Matheson.

On contract.

Acct labor on contract.

Not on contract.

Wages in full for April on
contract.

No. 316. \$179.42

May 3, 1918.

Order of
M. O. Johnson.

Hills Corbet.

Wages in full for April on
contract.

On contract.

[234]

No. 317. \$279.12

May 3, 1918.

Order of
Frank Waterbury.

Hills Corbet.

Wages in full for April on
contract.

On contract.

No. 318. \$179.42

May 3, 1918.

Order of
Frank Goodrich.

Hills Corbet.

Wages in full for April on
contract.

On contract.

No. 319. \$175.50

May 3, 1918.

Order of
Chas. Cloudy.

Hills Corbet.

Wages in full for April on
contract.

On contract.

No. 320. \$161.42

May 3, 1918.

Order of

Hills Corbet.

Dan Becker.

On contract.

Labor on contract for April
in full on contract.

No. 321. \$128.00

May 3, 1918.

Order of

Hills Corbet.

W. C. Cloudy.

On contract.

Labor for April in full on
contract.

No. 322. \$155.80

May 3, 1918.

Order of

Hills Corbet.

H. G. Stevens.

Not on contract.

Labor on contract for April
wages in full.

~~On contract.~~

No. 323. \$54.30

May 3, 1918.

Order of

Hills Corbet.

Fred Gardner.

On contract.

Acct. labor.

For wages for April in full
on contract.

\$25.00 received on acct.

No. 324. \$82.68

May 3, 1918.

Order of

Hills Corbet.

E. Hill.

On contract.

Labor on contract wages in
full for April.

No. 325.	\$82.68	
May 3, 1918.		
Order of		Hills Corbet.
Chris Huff.		On contract.
For labor on contract wages in full.		
No. 326.	\$156.94	
May 3, 1918.		
Order of		Hills Corbet.
Mark La Belle.		Not on contract.
For wages for April in full.		
No. 327.	\$195.00	
May 3, 1918.		Hills Corbet.
Order of		Not on contract.
Robt. Sather.		
For wages in full for April.		
Not on contract.		
No. 328.	\$123.00	
May 3, 1918.		
Order of		Not on contract.
A. Vicente.		
For wages in full for April.		H. C.
Not on contract.		
\$9.75 receiver on acct.		
No. 329.	\$110.00	
May 3, 1918.		
Order of		Hills Corbet.
Edward Wright.		Not on contract.
For wages in full for April.		
Not on contract.		

No. 330.	\$160.86	
May 3, 1918.		Hills Corbet.
Order of		Not on contract.
Herman West.		
For wages in full for April.		
Not on contract.		
No. 331.	\$24.00	
May 3, 1918.		
Order of		Hills Corbet.
Francis Cloudy.		Not on contract.
Flunkey. Cook house.		
For wages in full for April.		
Not on contract.		
No. 332.	\$22.50	
May 3, 1918.		
Order of		Hills Corbet.
W. Burns.		Not on contract.
For wages in full in April.		
Not on contract.		
Advance \$144.		
No. 333.	\$166.50	
May 3, 1918.		
Order of		Hills Corbet.
Robt. Hall.		Not on contract.
For wages in full for April.		
Not on contract.		
No. 334.	\$118.68	
May 3, 1918.		
Order of		Hills Corbet.
Carl Wick.		Not on contract.
For wages in full for April.		
Not on contract.		

No. 334. \$40.00

May 3, 1918.

Order of

Hills Corbet.

Chas. Spencer.

Not on contract.

On acct. for wages in full
for April.

Not on contract.

No. 335. \$25.00

May 3, 1918.

Order of

Hills Corbet.

Chas. Spencer.

Not on contract.

For wages for April in full

Not on contract.

5.00 advanced from cook
house receipt.

No. 336. \$40.20

May 3, 1918.

Order of

Hills Corbet.

R. M. Phillips.

Not on contract.

For wages in full for April.

Not on contract.

Board \$15.00.

No. 337. \$42.40

May 3, 1918.

Order of

Hills Corbet.

G. A. Young.

Not on contract.

For wages in full for April.

Not on contract.

Board \$10.00.

No. 338. \$9.60

May 3, 1918.

Order of

Hills Corbet.

Geo. R. Wall.

Not on contract.

For wages in full for April.

Not on contract.

Board 6.00.

No. 339.	\$9.60	
May 3, 1918.		
Order of		Hills Corbet.
Antone Schuller.		Not on contract.
For wages in full for April.		
Not on contract.		
Board 6.00.		
No. 340.	\$10.20	
May 3, 1918.		
Order of		Hills Corbet.
Thomas Carlson.		Not on contract.
For wages in full for April.		
Not on contract.		
Board 6.00.		
No. 341.	\$17.80	
May 3, 1918.		
Order of		Hills Corbet.
Elmer Prescott.		Not on contract.
For wages in full for April.		
Not on contract.		
No. 342.	\$12.90	
May 3, 1918.		
Order of		Hills Corbet.
Roy Whitman.		Not on contract.
For wages in full for April.		
6.00 board.		
No. 343.	\$9.60	
May 3, 1918.		
Order of		Hills Corbet.
Wm. Cochran.		Not on contract.
For wages for April in full.		
Not on contract.		
3.00 board.		
No. 345.	\$9.60	
May 3, 1918.		
Order of		Hills Corbet.
Chas. Treman.		Not on contract.
For wages in full for April.		
Not on contract.		
3.00 board.		

No. 346. \$9.60

May 3, 1918.

Order of

Hills Corbet.

Olaf Robertson.

Not on contract.

For wages in full for April.

Not on contract.

3.00 board.

No. 347. \$9.60

May 3, 1918.

Order of

Hills Corbet.

Thomas Wall.

Not on contract.

For wages in full for April.

Not on contract.

3.00 board.

[238]

No. 348. \$85.00

May 3, 1918.

Order of

Hills Corbet.

Wm. Kincaid.

Not on contract.

For wages in full for April.

Not on contract.

No. 349. \$438.62

May 3, 1918.

Order of

Hills Corbet.

F. A. Cloudy.

On contract.

For wages in full for April.

On contract.

No. 350. \$10.72

May 4, 1918.

Order of

Hills Corbet.

G. W. Mathson.

Not on contract.

See Ck. No. 292.

Payed in full.

Not on contract.

[239]

And thereupon the trustee by his counsel prayed the Court in writing to make the following findings of fact and conclusions of law, to wit:

I.

The contract, a copy of which is attached to the petition of the Hills-Corbet Co. herein, was made between the Craig Lumber Co. and the Hills-Corbet Co., a copartnership, on the 31st of October, 1917.

II.

At the time of the making of the contract the Hills-Corbet Co. had none of the machinery and material they were to furnish under the contract except one engine worth about \$800.00, and it was contemplated by both parties that they should buy such machinery and material on the open market and ship to Craig, Alaska.

III.

Hills-Corbet did so purchase the machinery and material as required to fill the contract; the first shipment was made about November 15th, 1917. About the same time they also sent a force of men to Craig under F. A. Cloudy to put and remodel the mill buildings, and do the work of installation of machinery called for in the contract. Fifty per cent of this shipment was paid in cash by the Craig Lumber Company, as called for in the contract.

IV.

Upon reaching Craig with the laborers provided to do the work, or shortly thereafter, Hills-Corbet Co. was paid \$10,500.00 in three checks by the Craig Lumber Co., the proceeds of which were de-

posited in the Bank of Wrangell to the credit of their agent F. A. Cloudy to be used in paying the wages of the employees of Hills-Corbet Co. But no arrangements were made by Hills-Corbet Co. for boarding their men, and such board was furnished by the Craig Lumber Co. at a cost to it of at least \$1.50 per day per man. [240]

V.

The second shipment of material was made November 27th, 1917. When this shipment reached Craig, Alaska, and was unloaded on the dock, the dock gave way from the weight and a part of the shipment of between \$2,000.00 and \$3,000.00 in value was lost. This was at once reordered and paid for in full by the Craig Lumber Company, no question being raised as to whose goods they were, and who was to stand the loss. Fifty per cent of this shipment, in addition to the goods lost and paid for in full was also paid by the Craig Lumber Co. in accordance with the terms of the contract.

VI.

Other shipments were made from time to time, the last made being in April 1918, but payments thereafter seem to have been made by the Craig Lumber Co. in gross sums as money was available, without reference to the terms of payment of fifty per cent on invoices as provided in the contract.

VII.

In the meantime, beginning on January 23d, 1918, and ending May 29th, 1918, the Craig Lumber Company ordered from time to time of Hills-Cor-

bet Co. other machinery and goods, not mentioned or included in the contract. Such goods and machinery Hills-Corbet purchased on the market to fill the orders, and charged the Craig Lumber Company the same commission or profit they were to have for goods and machinery purchased under the contract—that is, the cost price plus fifteen per cent, plus ten per cent. These goods were denominated “Extra” in the petitioner’s bill of particulars and aggregated \$4,436.62, including the commission or profit. The total cost of machinery and material, including commission or profit, shipped under the contract aggregated \$32,309.62. All of the goods, however, were charged by Hills-Corbet Co. to the Craig Lumber Company on an open account, and all moneys paid were credited on the same account, whether bought or paid under the contract or otherwise. The segregation shown on the bill of particulars was made for the purpose of this proceeding, and do not appear on the Hills-Corbet Company’s books. [241]

VIII.

As under the contract the total cost to the Craig Lumber Company of the work and labor done and material furnished was to be limited to \$32,125.00, the total charge against the Craig Lumber Company in the said contract with the Hills-Corbet Co. should be \$36,746.26.

IX.

The Craig Lumber Co. paid the Hills-Corbet Co. on the said account as follows:

\$19,943.82, for which credit is given on the bill of

particulars; three checks of \$3,500.00 each, \$10,500.00, making a total of \$30,443.82. But it appears from the evidence of E. A. Cloudy that \$519.12 of the \$10,500.00 furnished him was used in paying employees of the Craig Lumber Company and not employees of the Hills-Corbet Co. The net amount of cash paid on the account is \$29,924.70. The Craig Lumber Co., however, paid out for board of the employees of the Hills-Corbet Co. while working on the contract the sum of \$3,324.00; and the total credits on the account to which the Craig Lumber Co. is entitled is \$33,248.70, and the amount which is owing to the Hills-Corbet Co. on the whole account is \$3,497.56.

X.

Although the contract of October 31st, 1917, was breached as to its terms by both parties thereto, during performance of its terms, and especially by the Craig Lumber Company in not making its payments as they came due, the Hills-Corbet Company never attempted to reclaim possession, or asserted a right to reclaim possession of the machinery or equipment they furnished until after the bankruptcy proceedings were begun. [242]

From the above and foregoing facts the Court concludes as matter of law:

I.

The contract of October 31st, 1917, is not a contract of conditional sale, but a contract to build and equip a sawmill; and when Hills-Corbet Co. purchased the machinery, etc., to fill said contract they bought it for the Craig Lumber Co. and it thereupon became the

property of the Craig Lumber Co.

II.

But if the said machinery, equipment, etc., was ever the property of the Hills-Corbet Co., then by the terms of the contract, as construed by the parties in the course of their dealings, the sale was complete, and the title passed, and the reservation of title or attempted reservation of title in the contract is merely a security in the nature of an equitable mortgage.

III.

As the sums due from the Craig Lumber Co. to the Hills-Corbet Co. for the purchase of machinery and material were the earliest payable under the contract, the payments made should be first applied to these, and as the amounts paid exceed the cost of such material, machinery, etc., the property sought to be reclaimed is paid for.

IV.

In any view of the facts and the law, the Hills-Corbet Co. are not the owners of the property they have petitioned to have the trustee deliver to them, and their petition should be denied with costs.

But the Court refused to make said requested findings and conclusions, and exceptions thereto are allowed.

And because the above and foregoing matters do not appear of record, I, Robert W. Jennings, the Judge before whom said cause was tried, do hereby approve and allow the foregoing bill of exceptions, and order the same filed and made a part of the record herein.

Dated this the 20th day of July, 1920.

(Signed) ROBERT W. JENNINGS,

Judge. [243]

In the District Court for Alaska, Division Number
One, at Juneau.

No. 31—IN BANKRUPTCY.

#1964—A.

In the Matter of the CRAIG LUMBER COMPANY,
a Corporation,

Bankrupt.

HILLS—CORBET CO., a Copartnership, Composed
of F. R. HILLS and W. W. CORBET,

vs.

E. L. COBB, as Trustee of the CRAIG LUMBER
CO., a Corporation,

Bankrupt.

Assignments of Error.

Now comes E. L. Cobb, as trustee of the Craig Lumber Co., a corporation, bankrupt, and the Bank of Alaska, a corporation, and assigns the following errors committed by the Court during the trial and in the rendition of the judgment and decree in the above-entitled matter, and upon which they will rely in the Appellate Court:

I.

The Court erred in reversing the ruling of the referee, sustaining the demurrer to the petition of appellees and in overruling said demurrer.

II.

The Court erred in refusing the prayer of the trustee to make the following finding of fact:

The contract, a copy of which is attached to the petition of the Hills-Corbet Co. herein, was made between the Craig Lumber Co. and the Hills-Corbet Co., a copartnership, on the 31st of October, 1917.

III.

The Court erred in refusing the prayer of the trustee to make the following finding of fact:

At the time of the making of the contract the Hills-Corbet Co. had none of the machinery and material they were to furnish under the contract, except one engine worth about \$800.00, and it [244] was contemplated by both parties that they should buy such machinery and material on the open market and ship to Craig, Alaska.

IV.

The Court erred in refusing the prayer of the trustee to make the following finding of fact:

Hills-Corbet Co. did so purchase the machinery and material, as required to fill the contract; the first shipment was made about November 15th, 1917. About the same time they also sent a force of men to Craig under F. A. Cloudy to put and remodel the mill buildings, and do the work of installation of machinery called for in the contract. Fifty per cent of this shipment was paid in cash by the Craig Lumber Company, as called for in the contract.

V.

The Court erred in refusing the prayer of the trustee to make the following finding of fact:

Upon reaching Craig with the laborers provided to do the work, or shortly thereafter, Hills-Corbet Co. was paid \$10,500.00 in three checks by the Craig Lumber Co., the proceeds of which were deposited in the Bank of Alaska to the credit of their agent F. A. Cloudy to be used in paying the wages of the employees of Hills-Corbet Co. But no arrangements were made by Hills-Corbet Co. for boarding their men, and such board was furnished by the Craig Lumber Co. at a cost to it of at least \$1.50 per day per man.

VI.

The Court erred in refusing the prayer of the trustee to make the following finding of fact:

The second shipment of material was made November 27th, 1917. When this shipment reached Craig, Alaska, and was unloaded on the dock, the dock gave way from the weight and a part of the shipment of between \$2,000.00 and \$3,000.00 in value was lost. This was at once reordered and paid for in full by the Craig Lumber [245] Company, no question being raised as to whose goods they were, and who were to stand the loss. Fifty per cent of this shipment, in addition to the goods lost and paid for in full was also paid by the Craig Lumber Co. in accordance with the terms of the contract.

VII.

The Court erred in refusing the prayer of the trustee to make the following finding of fact:

Other shipments were made from time to time, the last made being in April, 1918, but payments thereafter seem to have been made by the Craig Lumber

Co. in gross sums as money was available, without reference to the terms of payment of fifty per cent on invoices as provided in the contract.

VIII.

The Court erred in refusing the prayer of the trustee to make the following finding of fact:

In the meantime, beginning on January 23d, 1918, and ending May 29th, 1918, the Craig Lumber Company ordered from time to time of Hills-Corbet Co. other machinery and goods, not mentioned or included in the contract. Such goods and machinery Hills-Corbet Co. purchased on the market to fill the orders, and charged the Craig Lumber Company the same commission or profit they were to have for goods and machinery purchased under the contract—that is, the cost price plus fifteen per cent, plus ten per cent. These goods were denominated “Extra” in the petitioners’ bill of particulars and aggregated \$4,436.62, including the commission or profit. The total cost of machinery and material, including commission or profit, shipped under the contract aggregated \$32,309.62. All of the goods, however, were charged by Hills-Corbet Co. to the Craig Lumber Company on an open account, and all moneys paid were credited on the same account, whether bought or paid under the contract or otherwise. The segregation shown on the bill of particulars was made for the purpose of this proceeding, and do not appear on the Hills-Corbet Company’s books. [246]

IX.

The Court erred in refusing the prayer of the trustee to make the following finding of fact:

As under the contract the total cost to the Craig Lumber Company of the work and labor done and material furnished was to be limited to \$32,125.00, the total charge against the Craig Lumber Company in the said account with the Hills-Corbet Co. should be \$36,746.26.

X.

The Court erred in refusing the prayer of the trustee to make the following finding of fact:

The Craig Lumber Co. paid the Hills-Corbet Co. on the said account as follows:

\$19,943.82, for which credit is given on the bill of particulars; three checks of \$3,500.00 each, \$10,500.00, making a total of \$30,443.82. But it appears from the evidence of F. A. Cloudy that \$519.12 of the \$10,500.00 furnished him was used in paying employees of the Craig Lumber Company and not employees of the Hills-Corbet Co. The net amount of cash paid on the account is \$29,924.70. The Craig Lumber Co., however, paid out for board of the employees of the Hills-Corbet Co. while working on the contract the sum of \$3,324.00; and the total credits on the account to which the Craig Lumber Co. is entitled is \$33,248.70, and the amount which is owing to the Hills-Corbet Co. on the whole account is \$3,497.56.

XI.

The Court erred in refusing the prayer of the trustee to make the following finding of fact:

Although the contract of October 21st, 1917, was breached as to its terms by both parties thereto, during performance of its terms, and especially by the Craig Lumber Company in not making its payments

as they came due, the Hills-Corbet Company never attempted to reclaim possession, or asserted a right to reclaim possession of the machinery or equipment they furnished until after the bankruptcy proceedings were begun. [247]

XII.

The Court erred in admitting in evidence the testimony of W. W. Corbet tending to show and upon which the Court found, that the written contract between the Hills-Corbet Co. and the Craig Lumber Co. was changed by F. J. Tromble so as to throw the cost of the board of the employees of the Hills-Corbet Co. upon the Craig Lumber Co.

XIII.

The Court erred in refusing to make the following conclusion of law requested by the trustee:

The contract of October 31st, 1917, is not a contract of conditional sale, but a contract to build and equip a sawmill, and when Hills-Corbet Co. purchased the machinery, etc., to fill said contract they bought it for the Craig Lumber Co. and it thereupon became the property of the Craig Lumber Co.

XIV.

The Court erred in refusing to make the following conclusion of law requested by the trustee:

But if the said machinery, equipment, etc., was ever the property of the Hills-Corbet Co., then by the terms of the contract, as construed by the parties in the course of their dealings the sale was complete, and the title passed, and the reservation of title, or attempted reservation of title in the contract is merely a security in the nature of an equitable mortgage.

XV.

The Court erred in refusing to make the following conclusion of law requested by the trustee:

As the sums due from the Craig Lumber Co. to the Hills-Corbet Co. for the purchase of machinery and material were the earliest payable under the contract, the payments made should be first applied to these, and as amounts paid exceed the cost of such material, machinery, etc., the property sought to be reclaimed is paid for. [248]

XVI.

The Court erred in refusing to make the following conclusion of law requested by the trustee:

In any view of the facts and the law, the Hills-Corbet Co. are not the owners of the property they have petitioned to have the trustee deliver to them, and their petition should be denied with costs.

XVII.

The Court erred in making the XI finding of fact reading as follows:

That the machinery covered by said contract of sale never passed under the "after-acquired" clause in the mortgage of the Bank of Alaska, one of the parties to this action, for the reason that the mortgagor never did "acquire" such machinery, the title never having passed.

XVIII.

The Court erred in making the XII finding of fact reading as follows:

That the machinery, material, etc., furnished and delivered under said contract, including the work and labor performed thereunder and the 10% and 15%

provided for in said contract as aforesaid, amount to the sum of \$32,539.74, but under the contract the mill was to be built and installed for \$32,125.00, therefore the Court finds the latter sum (\$32,125) as being the "invoice under contract and 10% on labor."

XIX.

The Court erred in making the XIV finding of fact reading as follows:

That the total payments made is the sum of \$19,943.82; that in addition to said payment the Craig Lumber Company, debtor, is entitled to a credit of \$8,312.58 which it paid out for labor for the Hills-Corbet Company under the contract, leaving a total balance of \$9,827.39 due to the Hills-Corbet Company.
[249]

XX.

The Court erred in making the XVI finding of fact reading as follows:

That the evidence to the effect that the Craig Lumber Co., debtor, agreed to board the men employed by the Hills-Corbet Co. in the doing and performing of said work, is absolutely undisputed, and the Court finds that the Craig Lumber Co. did agree to board said men, assuming the indebtedness therefor.

XXI.

The Court erred in making the XVII finding of fact reading as follows:

That the total amount due the Hills-Corbet Company under the contract, after making the application of the payments to the extras and to the contract as in these findings set forth, is the sum of \$9,827.39, together with interest at the rate of 8% from July

1st, 1918, said date being more than 30 days after the completion of the contract.

XXII.

The Court erred in awarding interest from July 1st, 1918, on the amount it found due, on the alleged conditional sale.

XXIII.

The Court erred in its conclusion of law numbered I, reading as follows:

That the contract of sale attached to and made a part of the complaint filed in this case is a conditional sale contract and the property covered thereby and described in the specifications attached thereto and made a part of said contract remain the property of the Hills-Corbet Company until the full purchase price is fully paid and the title to said property was not to pass until the same was fully paid for.

XXIV.

The Court erred in its conclusion of law numbered II, reading as follows:

That the machinery is so attached by bolts and screws as to [250] be easily moved without damaging the building and, therefore, the conditional sale contract whereby the Hills-Corbet Company retain title to said machinery is in no way affected thereby.

XXV.

The Court erred in making the conclusion of law numbered III, reading as follows:

That the claim of the Bank of Alaska, one of the parties to this action, to the machinery covered by the said conditional sale contract, is without force or effect; that the machinery did not pass under the

“after-acquired” clause of the mortgage, under which the said bank claims said machinery, for the reason that the mortgagor never did acquire such machinery, the title never having passed, and the title to the said machinery remained in the Hills-Corbet Co., under and by virtue of the aforesaid conditional sale contract.

XXVI.

The Court erred in its conclusion of law numbered IV, reading as follows:

That the application of payments other than those specifically applied should be and are first applied by the Court upon the unsecured indebtedness of the debtor to the Hills-Corbet Company, and the balance upon the conditional sale contract.

XXVII.

The Court erred in making the conclusion of law numbered V, reading as follows:

That the Court finds that the Hills-Corbet Company is entitled to a judgment against the Bank of Alaska and the U. S. Fidelity & Guaranty Company in the sum of \$9,827.39, together with interest thereon at the rate of 8% per annum from July 1st, 1918.

XXVIII.

The Court erred in rendering any judgment whatsoever against the Bank of Alaska, and such judgment is wholly unsustainable by the pleadings, the stipulation, or anything else in the record; and the record conclusively shows that there is no present liability from the [251] said bank to the Hills-Corbet Co. and will not be until there shall be a final decision of this cause in favor of the Hills-Corbet Co.

And for said errors appellants pray that the said judgment be reversed and the petition dismissed.

JOHN B. MARSHALL,
Attorney for Bank of Alaska.

J. H. COBB,
Attorney for Trustee.

Filed in the District Court, District of Alaska, First Division. Aug. 6, 1920. J. W. Bell, Clerk. By _____, Deputy. [252]

In the District Court for Alaska, Division Number One, at Juneau.

No. 31—IN BANKRUPTCY.

No. 1964—A.

In the Matter of the CRAIG LUMBER CO, a Corporation,

Bankrupt.

HILLS—CORBET CO., a Copartnership Composed of F. R. HILLS and W. W. CORBET,

vs.

E. L. COBB, as Trustee of the CRAIG LUMBER COMPANY, a Corporation.

Bankrupt.

Petition for Allowance of Appeal.

E. L. Cobb, as trustee of the Craig Lumber Company, a corporation, bankrupt, and the Bank of Alaska, a corporation, conceiving themselves aggrieved by the judgment and order of the Court,

made herein on the 31 day of July, 1920, in the above-entitled cause, for the reasons set out in their assignments of error filed herewith, pray this Honorable Court to grant them an order allowing an appeal from said judgment and order to the Honorable the United States Circuit Court of Appeals for the Ninth Circuit, and fix the amount of security to be given by the said bank as a supersedeas on said judgment.

JOHN B. MARSHALL,
Atty. for Bank of Alaska.
J. H. COBB,
Attorney for Trustee.

Upon consideration of the above and foregoing petition it is ordered that the appeal prayed for be, and the same is hereby granted; and it is further ordered that a transcript of the record be transmitted by the clerk to the clerk of the Appellate Court. And the security to be given is fixed at \$12,500.00.

Dated this the 6th August, 1920.

ROBERT A. JENNINGS,
Judge.

Filed in the District Court, District of Alaska, First Division. Aug. 6, 1920. J. W. Bell, Clerk.
By _____, Deputy.

Entered Court Journal No. Q, page 5. [253]

In the District Court for Alaska, Division Number
One, at Juneau.

No. 31—IN BANKRUPTCY.

1964—A.

In the Matter of the CRAIG LUMBER CO, a
Corporation,

Bankrupt.

HILLS—CORBET CO., a Copartnership Composed
of F. R. HILLS and W. W. CORBET,

vs.

E. L. COBB, as Trustee of the CRAIG LUMBER
COMPANY, a Corporation,

Bankrupt.

Citation.

The President of the United States to the Hills-
Corbet Co., a Copartnership Composed of F. R.
Hills and W. W. Corbet, and to Newark L.
Burton, Their Attorney, GREETING:

You are hereby cited and admonished to be and
appear at a United States Circuit Court of Appeals
for the Ninth Circuit, to be holden at the city of
San Francisco, State of California, within thirty
days from the date hereof, pursuant to an appeal
filed in the clerk's office for the District Court for
Alaska, Division Number One, in a cause where
E. L. Cobb, as trustee of the Craig Lumber Co.,
and the Bank of Alaska are appellants, and you
are appellees, then and there to show cause, if any
there be, why the judgment and decree mentioned

in said appeal should not be corrected, and speedy justice done to the parties in that behalf.

WITNESS, the Honorable EDWARD DOUGLASS WHITE, Chief Justice of the United States, this the 10th day of August, 1920.

ROBERT W. JENNINGS,
Judge.

Service of the above and foregoing citation admitted this the 10th day of August, 1920.

N. L. BURTON,
Attorney for the Hills-Corbet Co., Appellees.

Filed in the District Court, District of Alaska, First Division. Aug. 10, 1920. J. W. Bell, Clerk.
———, Deputy. [254]

In the District Court for Alaska, Division Number One, at Juneau.

No. 31—IN BANKRUPTCY.

1964—A.

In the Matter of the CRAIG LUMBER CO., a Corporation,

Bankrupt.

HILLS-CORBET CO., a Copartnership Composed of F. R. HILLS and W. W. CORBET,

vs.

E. L. COBB, as Trustee of the CRAIG LUMBER CO.,

Bankrupt.

Supersedeas Bond on Appeal.

KNOW ALL MEN BY THESE PRESENTS, that we, the Bank of Alaska, a corporation, as principal, and E. A. Rasmuson and Helen D. Lynch, sureties, are held and firmly bound unto Hills-Corbet Co., a copartnership, in the sum of twelve thousand five hundred dollars, for the payment of which sum well and *and* truly to be made we hereby bind ourselves, our and each of our heirs, executors, administrators and successors, jointly and severally firmly by these presents.

The condition of the above obligation is such, however, that whereas, in the above-entitled court and cause, on the 31st day of July, 1920, a judgment was rendered in favor of said Hills-Corbet Co. and against the Bank of Alaska for the sum of \$9,827.39, besides interest and costs, and adjudging certain property, of which said sum was the proceeds, to have been the property of said Hills-Corbet Co., and not of the said bankrupt, and said E. L. Cobb, as trustee, etc., and the said Bank of Alaska has appealed from said judgment and decree to the United States Circuit Court of Appeals for the Ninth Circuit.

Now, if the said appellants shall prosecute said appeal to effect, and pay all such damages and costs as may be awarded against them if they fail to make their plea good, then this obligation shall be null and void; otherwise to remain in full force and virtue. [255]

Witness our hands this 7th day of August, 1920.

BANK OF ALASKA,

E. A. RASMUSON,

President.

HELEN D. LYNCH.

E. A. RASMUSON.

Approved Aug. 10, 1920.

ROBERT W. JENNINGS,

Judge.

Filed in the District Court, District of Alaska,
First Division. Aug. 10, 1920. J. W. Bell, Clerk.

By _____, Deputy. [256]

In the District Court for Alaska, Division Number
One, at Juneau.

1964-A.

HILLS-CORBET CO.

vs.

E. L. COBB, as Trustee, and the BANK OF
ALASKA.

Praeceptum for Transcript of Record.

To the Clerk for the District Court for Alaska,
Division No. 1.

Sir: You will please make up the transcript of
the record for the United States Circuit Court of
Appeals for the Ninth Circuit, in the above-entitled
cause, and include therein the following papers:

1. Petition of the Hills-Corbet Co. and Pltfs.
Ex. "A" (Specification).

2. Bill of Particulars and Pltfs Ex. "A" (Blueprint).
3. Amended Bill of Particulars, filed March 17, 1920.
4. Demurrer of E. L. Cobb, Trustee.
5. Order of Referee Sustaining Demurrer.
6. Petition of Review of Said Order.
7. Order of District Court Overruling Demurrer.
8. Answer of Trustee.
9. Reply of Hills-Corbet Co.
10. Stipulation of January 20, 1920.
11. Order to Try Before District Court.
12. Bond of Bank of Alaska.
13. Findings of Fact and Conclusions of Law.
14. Judgment.
15. Opinion and Supplemental Opinion.
16. Bill of Exceptions.
17. Assignments of Error.
18. Petition of Appeal and Order Allowing.
19. Citation.
20. Supersedeas Bond.
21. This Praecipe.

Said transcript to be made up in accordance with the rules of said Appellate Court and the rules of this court.

J. H. COBB,

Attorney for Trustee.

JNO. B. MARSHALL,

Attorney for Bank of Alaska.

Filed in the District Court, District of Alaska,
First Division. Aug. 10, 1920. J. W. Bell, Clerk.
By _____, Deputy. [257]

In the District Court for the District of Alaska,
Division No. 1, at Juneau.

United States of America,
District of Alaska,
Division No. 1,—ss.

**Certificate of Clerk U. S. District Court to Transcript
of Record.**

I, J. W. Bell, Clerk of the District Court for the District of Alaska, Division No. 1, hereby certify that the foregoing and hereto attached 257 pages of typewritten matter, numbered from 1 to 257, both inclusive, constitute a full, true, and complete copy, and the whole thereof, of the record as per praecipe of the appellant on file herein and made a part hereof, in the cause wherein E. L. Cobb, trustee, and the Bank of Alaska are appellants and Hills Corbet Company, is appellee, No. 31—Bankruptcy, No. 1964—A, as the same appears of record and on file in my office, and that the said record is by virtue of petition and citation on appeal issued in this cause, and the return thereof in accordance therewith.

I do further certify that this transcript was prepared by me in my office, and the cost of preparation, examination and certificate, amounting to \$113.70, has been paid to me by counsel for appellant.

I do further certify that plaintiff's original Exhibit "A," Specifications and Blue-print, are attached hereto.

IN WITNESS WHEREOF I have hereunto set my hand and the seal of the above-entitled court this 21st day of August, A. D. 1920.

[Seal]

J. W. BELL,
Clerk.

By _____,
Deputy.

[Endorsed]: No. 3552. United States Circuit Court of Appeals for the Ninth Circuit. In the Matter of the Craig Lumber Company, a Corporation, Bankrupt. E. L. Cobb, as Trustee of the Craig Lumber Company, a Corporation, Bankrupt, and Bank of Alaska, a Corporation, Appellants, vs. Hills-Corbet Company, a Copartnership Composed of F. R. Hills and W. W. Corbet, Appellee. Transcript of Record. Upon Appeal from the United States District Court for the District of Alaska, Division No. 1.

Filed September 2, 1920.

F. D. MONCKTON,
Clerk of the United States Circuit Court of Appeals for the Ninth Circuit.

By Paul P. O'Brien,
Deputy Clerk.

